
**ICC CONTRACT
STANDARD TERMS AND CONDITIONS**

DRAFT – Version 1

April 2022

Note: This document is intended to be read alongside the Industrial Carbon Capture Business Model Summary and Consultation (April 2022) (the "April Update Document") and is subject to the "Disclaimer" within it.

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PRELIMINARY

- (A) These standard terms and conditions applicable to CCUS Programme ICC Contracts were issued by the Secretary of State on [●], in accordance with [●]¹ of the [●]².
- (B) The Conditions as applicable to [●]³ are to be read in conjunction with:
- (i) the offer to contract made to the [●]⁴ by the ICC Contract Counterparty pursuant to [●]⁵ of the [●]⁶ and the acceptance of that offer by such [●]⁷; and
 - (ii) the ICC Agreement entered into between the ICC Contract Counterparty and the [●]⁸.

¹ Note to Reader: Relevant legislative reference to be confirmed.

² Note to Reader: Relevant legislative reference to be confirmed.

³ Note to Reader: To be confirmed.

⁴ Note to Reader: To be confirmed.

⁵ Note to Reader: Relevant legislative reference to be confirmed.

⁶ Note to Reader: Relevant legislative reference to be confirmed.

⁷ Note to Reader: To be confirmed.

⁸ Note to Reader: To be confirmed.

Part 1 Introduction

1. DEFINITIONS AND INTERPRETATION

Definitions

1.1 In these Conditions:

"10-TD Sample Period" has the meaning given to that term in paragraph 1 of Annex 6 (*Carbon Market Reference Price Review*);

"10-TD UKA Trade Number Percentage" has the meaning given to that term in paragraph 1 of Annex 6 (*Carbon Market Reference Price Review*);

"10-TD UKA Volume Percentage" has the meaning given to that term in paragraph 1 of Annex 6 (*Carbon Market Reference Price Review*);

["Acceptable Carbon Intensity Threshold" means a carbon intensity of the Industrial Installation which is [ten per cent. (10%)] above the Agreed Carbon Intensity Baseline;]⁹

"Acceptable Collateral" means: (i) a Letter of Credit; and/or (ii) a cash amount (in pounds) transferred to the credit of a Reserve Account;

"Achieved CO₂ Capture Rate" means the CO₂ capture rate (*expressed as a percentage (%)*) for the Installation during: (i) each Settlement Unit, except each Settlement Unit in which: (A) a Capture Outage Relief Event occurs; or (B) the Metered CO₂ Input from Industrial Installation is equal to zero (0), whereby the Achieved CO₂ Capture Rate shall not apply; or (ii) the period in which a CO₂ Capture Test is carried out¹⁰, calculated in accordance with the following formula:

$$ACR_i = \frac{CO2_{out,i}}{CO2_{in,i}}$$

where

ACR_i = Achieved CO₂ Capture Rate (*expressed as a percentage (%)*)

$CO2_{out,i}$ = Metered CO₂ Output (tCO₂) in the relevant Settlement Unit (i)¹¹

$CO2_{in,i}$ = [Metered CO₂ Input]¹² (tCO₂) in the relevant Settlement Unit (i)¹³

⁹ Note to Reader: This definition is subject to further review by BEIS including how the Agreed Carbon Intensity Baseline will be set for different products/processes and the time period applicable to the Agreed Carbon Intensity Baseline.

¹⁰ Note to Reader: The nature and duration of the verification test to be carried out by the Emitter at the ICC Contract Counterparty's request in order to verify the Achieved CO₂ Capture Rate, the Achieved CO₂ Storage Rate and/or the Deemed CO₂ Storage Rate is to be confirmed. Please see the Testing Requirements schedule in the DPA as an example of a proposed verification test.

¹¹ Note to Reader: Please refer to footnote 10. The units for Metered CO₂ Output (tCO₂) may need to be adjusted where a CO₂ Capture Test is carried out over a period of time which is longer or shorter than a Settlement Unit.

¹² Note to Reader: BEIS is considering whether pre-capture plant CO₂ will be metered.

¹³ Note to Reader: Please refer to footnote 11.

which shall not exceed hundred per cent. (100%);

"Achieved CO₂ Storage Rate" means the CO₂ storage rate (*expressed as a percentage (%)*) for the Installation during: (i) each Settlement Unit, except each Settlement Unit in which: (A) a Capture Outage Relief Event occurs; or (B) the Metered CO₂ Input from Industrial Installation is equal to zero (0), whereby the Achieved CO₂ Storage Rate shall not apply; or (ii) the period in which a CO₂ Capture Test is carried out¹⁴, calculated in accordance with the following formula:

$$ACR_i = \frac{CO2_{out_T\&S,i}}{CO2_{in,i}}$$

where

| | | |
|---------------------|---|---|
| ASR_i | = | Achieved CO ₂ Storage Rate (<i>expressed as a percentage (%)</i>) |
| $CO2_{out_T\&S,i}$ | = | Metered CO ₂ Output to T&S (<i>tCO₂</i>) in the relevant Settlement Unit (<i>i</i>) ¹⁵ |
| $CO2_{in,i}$ | = | [Metered CO ₂ Input] ¹⁶ (<i>tCO₂</i>) in the relevant Settlement Unit (<i>i</i>) ¹⁷ |

which shall not exceed hundred per cent. (100%);

"ACP Estimate" means a good faith estimate of an Adjusted Capture Period, including a good faith estimate of:

- (A) the date on which such Adjusted Capture Period will commence and end; and
- (B) the impact of the Adjusted Capture Period on the Metered CO₂ Output to T&S;

"Actual Annual Capture Factor" means the CO₂ capture factor (*expressed as a percentage (%)*) for the Installation during a calendar year calculated as follows:¹⁸

$$AACF_f = \frac{\sum CO2_{out_T\&S,i} - \sum CO2_{aux,i}}{\sum CO2_{in_II,i}}$$

where:

| | | |
|---------------------|---|--|
| $AACF_f$ | = | Actual Annual Capture Factor (<i>expressed as a percentage (%)</i>) in the relevant calendar year (<i>f</i>) |
| $CO2_{out_T\&S,i}$ | = | Metered CO ₂ Output to T&S (<i>tCO₂</i>) in all Settlement Units in the relevant year |

¹⁴ Note to Reader: The nature and duration of the verification test to be carried out by the Emitter at the ICC Contract Counterparty's request in order to verify the Achieved CO₂ Capture Rate, the Achieved CO₂ Storage Rate and/or the Deemed CO₂ Storage Rate is to be confirmed. Please see the Testing Requirements schedule in the DPA as an example of a proposed verification test.

¹⁵ Note to Reader: Please refer to footnote 14. The units for Metered CO₂ Output (*tCO₂*) may need to be adjusted where a CO₂ Capture Test is carried out over a period of time which is longer or shorter than a Settlement Unit.

¹⁶ Note to Reader: BEIS is considering whether pre-capture plant CO₂ will be metered.

¹⁷ Note to Reader: Please refer to footnote 15.

¹⁸ Note to Reader: BEIS is considering whether the Actual Annual Capture Factor will be reduced during periods of T&S outage.

| | | |
|-----------------|---|---|
| $CO2_{aux,i}$ | = | Auxiliary CO ₂ Generated (tCO ₂) in all Settlement Units in the relevant year |
| $CO2_{in,II,i}$ | = | [Metered CO ₂ Input from Industrial Installation (tCO ₂)] ¹⁹ in all Settlement Units in the relevant year |

"Adjusted Capture Period" means a period during the Term in which the Metered CO₂ Output to T&S from the Installation is reduced or increased as a direct result of a Qualifying Change in Law;

"Affected Operational CP" has the meaning given to that term in Condition 3.11 (*Operational Conditions Precedent: General Reporting Obligations*);

"Affected Person" means any direct or indirect shareholder of the Emitter who is able to evidence to the satisfaction of the ICC Contract Counterparty that if it (or an agent or security trustee on its behalf) has or had the benefit of a Direct Agreement, it is or would be:

- (A) contractually obliged to exercise rights under the relevant Direct Agreement in accordance with the instructions of one (1) or more Lenders (or an agent or security trustee on its or their behalf); or
- (B) party to an agreement regarding the exercise of rights under such Direct Agreement with a person falling within paragraph (A) above;

"Affiliate" means, in relation to a Party, any holding company or subsidiary company of the relevant Party from time to time or any company which is a subsidiary company of a holding company of that Party from time to time (and the expressions "holding company" and "subsidiary" shall have the meanings respectively ascribed to them by section 1159 of the Companies Act 2006);

"Aggregate Opex and T&S Value" means an amount equal to the sum of the Strike Price (expressed in £/tCO₂), the T&S Volumetric Fee (converted to £/tCO₂ by [●]), the T&S Capacity Fee (converted to £/tCO₂ by [●]) and the T&S Residual Fee (converted to £/tCO₂ by [●]) during each Settlement Unit;²⁰

"Agreement Date" has the meaning given to that term in the ICC Agreement;

"Agreed Carbon Intensity Baseline" has the meaning given to that term in the ICC Agreement;²¹

"Agreement Date Provisions" means Part 1 (*Introduction*), Part 2 (*Term*), Part 3 (*Conditions Precedent and Milestone Requirement*), Condition 5 (*Definitions: Part 4*), Conditions 8.3 to 8.6 (*Strike Price Indexation Adjustment*), Conditions 8.8 to 8.12 (*Opex Costs Early Reopener*), Condition 12 (*Default Interest*), Condition 13 (*Set-off*), Condition 14 (*Deductions and withholdings*), Condition 15 (*Payment accounts*), Condition 16 (*Emitter representations and warranties*), Condition 17 (*ICC Contract Counterparty representations and warranties*), Condition 18 (*Emitter Undertakings: General*), Condition 23 (*Supply Chain Reporting*), Condition 25 (*Emitter undertakings: Information provision and no cumulation of subsidy, state*

¹⁹ Note to Reader: BEIS is considering whether pre-capture plant CO₂ will be metered.

²⁰ Note to Reader: This definition is subject to further review as the T&S business model develops and the conversions to the relevant units will be determined in due course.

²¹ Note to Reader: Subject to further review by BEIS, including how the Agreed Carbon Intensity Baseline figure will be set for different products/processes and the time period applicable to the Agreed Carbon Intensity Baseline.

aid and/or union funding), Part 8 (*Termination*), Part 10 (*Dispute Resolution*) to Part 13 (*Miscellaneous*) (inclusive), Annex 1 (*Conditions Precedent*), Annex 3 (*Calculation of Termination Payments*), Annex 4 (*Change Control Procedure*), Annex 5 (*Form of Direct Agreement*), and Annex 8 (*Pro forma notices*);²²

"Alternative T&S Network Review Notice" has the meaning given to that term in Condition 35.13(B) (*Termination for T&S Prolonged Unavailability Event*);

"Alternative T&S Network Solution Plan" means a plan developed by the Emitter setting out the required milestones and actions in order to connect the Installation to an alternative CO₂ T&S Network Delivery Point and T&S Network [or alternative permanent storage]²³ (either directly by pipeline, or indirectly by other means of transportation), in order to remedy a T&S Prolonged Unavailability Event;

"Alternative T&S Network Solution Plan Deadline" means the date which falls eighteen (18) Months from the date of a T&S Prolonged Unavailability Event Notice issued by the ICC Contract Counterparty in accordance with Condition 35.8;

"Amendment Notification" has the meaning given to that term in paragraph 2.1 of Annex 4 (*Change Control Procedure*);

"Applicable Planning Consents" has the meaning given to that term in [●];²⁴

"Approved Alternative T&S Network Solution Plan" has the meaning given to that term in Condition 35.13(B)(i) (*Termination for T&S Prolonged Unavailability Event*);

"Approved Capture Rate Breach Rectification Plan" means the draft Capture Rate Breach Rectification Plan which meets the Capture Rate Breach Rectification Plan Minimum Requirements and is approved by the ICC Contract Counterparty pursuant to either Condition 20.6 or 20.6(B)(ii)(a) (*Rectification of Minimum CO₂ Capture Rate Obligation breach*);

"Approved Scheme of Funding" has the meaning given to that term in the ICC Agreement;²⁵

"Arbitral Award" has the meaning given to that term in Condition 44.2 (*Arbitration Procedure*);

"Arbitral Tribunal" has the meaning given to that term in the LCIA Arbitration Rules;

"Arbitration Dispute" means any Dispute other than an Expert Dispute;

"Arbitration Procedure" means the rules, obligations and procedures set out in Condition 44 (*Arbitration Procedure*);

"Arbitrator" means any person to whom a Dispute is referred in accordance with the Dispute Resolution Procedure;

²² Note to Reader: Subject to further review by BEIS.

²³ Note to Reader: Subject to further review by BEIS.

²⁴ Note to Reader: Relevant legislative reference to be confirmed.

²⁵ Note to Reader: This definition is expected to be relevant if any funding has been provided to the Emitter and/or its Affiliates under the Industrial Energy Transformation Fund and Industrial Decarbonisation Challenge for development/pre-development expenditure incurred in respect of the Project prior to the Agreement Date. Such funding will be notified to, and verified by, BEIS on a project-by-project basis and set out in the ICC Agreement. BEIS is considering whether to refer to any other scheme(s) of funding.

"Auditors" means the auditors of the Emitter, which shall be one (1) of the following approved auditors:

- (A) PricewaterhouseCoopers LLP;
- (B) the UK member firm of Ernst & Young Global Limited;
- (C) KPMG LLP;
- (D) the UK member firm of Deloitte Touche Tohmatsu Limited; or
- (E) another firm of independent and internationally reputable auditors of good standing;

"Authority" means the Gas and Electricity Markets Authority established pursuant to section 1 of the Utilities Act 2000;

"Automated Data System" means an automated data system to monitor and control the operation of the Capture Plant and to provide data as required to support the provision of information as required by the Emitter and the ICC Contract Counterparty;

"Automated Data Systems Obligation" has the meaning given to that term in Condition 19.22 (*Undertakings: Automated Data Systems*);

"Auxiliary CO₂ Generated" means the mass quantity of CO₂ (*expressed in tCO₂*) generated from heating and powering the Capture Plant, as measured by the [*relevant metering equipment*] at the [*relevant delivery point(s)*];²⁶

"Average Achieved CO₂ Capture Rate" means the average achieved CO₂ capture rate (*expressed as a percentage (%)*) for the Installation during a Calculation Period and calculated as follows:

$$AACR = \frac{\sum ACR_i}{\sum Settlement Units_{i,AACR}}$$

where:

| | | |
|-----------------------------|---|---|
| $AACR$ | = | Average Achieved CO ₂ Capture Rate (<i>expressed as a percentage (%)</i>) |
| ACR_i | = | Achieved CO ₂ Capture Rate in each relevant Settlement Unit (<i>i</i>) within each Billing Period in the relevant Calculation Period (tCO ₂) |
| $Settlement Units_{i,AACR}$ | = | the number of Settlement Units in which the Achieved CO ₂ Capture Rate is applicable in the relevant Calculation Period |

"Average Achieved CO₂ Storage Rate" means the average achieved CO₂ storage rate (*expressed as a percentage (%)*) for the Installation during a Calculation Period, except such Settlement Unit in which a Capture Outage Relief Event occurs or the Metered CO₂ Input from Industrial Installation is equal to zero (0), whereby the Achieved CO₂ Storage Rate shall not apply, and calculated in accordance with the following formula:

²⁶ Note to Reader: BEIS is considering how and where Auxiliary CO₂ Generated will be measured.

$$AASR = \frac{\sum ASR_i}{\sum Settlement\ Units_{i,ASR}}$$

where:

$AASR$ = Average Achieved CO₂ Storage Rate (*expressed as a percentage (%)*)

ASR_i = Achieved CO₂ Storage Rate in each relevant Settlement Unit (*i*) within each Billing Period in the relevant Calculation Period (*t*CO₂)

$Settlement\ Units_{i,ASR}$ = the number of Settlement Units in which the Achieved CO₂ Storage Rate is applicable in the relevant Calculation Period

"Average Annual Aggregate Opex and T&S Value" means the yearly average of the Aggregate Opex and T&S Value for all Settlement Units in the relevant Contract Payment Term Year calculated by the ICC Contract Counterparty in accordance with the following formula:

$$AAAOTS = \frac{\sum AOTS_i}{Total_{Settlement\ Units}}$$

where:

$AAAOTS$ = Average Annual Aggregate Opex and T&S Value (£/tCO₂)

$AOTS_i$ = Aggregate Opex and T&S Value in each Settlement Unit (*i*) in the relevant Contract Payment Term Year (£/tCO₂)

$Total\ Settlement\ Units$ = the number of Settlement Units in the relevant Contract Payment Term Year

"Average Annual Carbon Market Reference Price" means the yearly average Carbon Market Reference Price calculated by the ICC Contract Counterparty in accordance with the following formula:

$$ACMRP = \frac{\sum CMRP_i}{Total_{Settlement\ Units}}$$

where:

$ACMRP$ = Average Annual Carbon Market Reference Price (£/tCO₂)

$CMRP_i$ = Carbon Market Reference Price in each Settlement Unit (*i*) in the relevant Contract Payment Term Year (£/tCO₂)

$Total_{Settlement\ Units}$ = the number of Settlement Units in the relevant Contract Payment Term Year

"Average Monthly Carbon Market Reference Price" has the meaning given to that term in Condition 6.13 (*Reference Price Calculation*);

"Base Rate" means the rate of interest published from time to time by the Bank of England as its base rate;

"Base Year" has the meaning given to that term in the ICC Agreement;

"Base Year CPI" means the value of the CPI for October in the calendar year immediately preceding the Base Year;

"Base Year Terms" means, for any Strike Price Adjustment initially expressed in a price period (x), with (x) being a calendar year other than the Base Year, the Strike Price Adjustment in respect of the Base Year ADJ_{base} , calculated in accordance with the following formula:

$$ADJ_{base} = ADJ_x \times \frac{CPI_{base}}{CPI_x}$$

where:

ADJ_x = Strike Price Adjustment (expressed in £/tCO₂) in any year (x)

CPI_{base} = Base Year CPI

CPI_x = arithmetic mean of the monthly CPI over the year (x)

"Billing Period" means the CP Billing Period, the OP Billing Period and/or the T&S Billing Period (as applicable);

"Billing Statement Dispute Notice" has the meaning given to that term in Condition 11.5 (*Billing Statement Disputes*);

"Billing Statements" means a Capex Payment Billing Statement, an Opex Payment Billing Statement and/or a T&S Billing Statement (as applicable);

"Business Day" means a day (other than a Saturday or a Sunday) on which banks are open for general business in London;

"Calculation CMRP Source" has the meaning given to that term in paragraph 1 of Annex 6 (*Carbon Market Reference Price Review*);

"Calculation Period" means:

- (A) in respect of Condition 2.3(A)(ii) (*Extension*), the period comprising all Billing Periods in the five (5) immediately preceding full Contract Payment Term Years, where the Achieved CO₂ Capture Rate is applicable for at least one (1) Settlement Unit within each Billing Period;
- (B) in respect of Condition 6.1(B) (*Determination of Deemed CO₂ Storage Rate*), the period comprising all Billing Periods prior to the relevant Settlement Unit, where the Achieved CO₂ Storage Rate is applicable for at least one (1) Settlement Unit within each Billing Period;
- (C) in respect of Condition 6.1(C) (*Determination of Deemed CO₂ Storage Rate*), the period comprising the most recent twelve (12) Billing Periods prior to the relevant Settlement Unit, where the Achieved CO₂ Storage Rate is applicable for at least one (1) Settlement Unit within each Billing Period; and

- (D) in respect of Condition 20.1 (*Undertaking: Minimum CO₂ Capture Rate*), each Billing Period, where the Achieved CO₂ Capture Rate is applicable for at least one (1) Settlement Unit within such Billing Period;

"Capex Payment" means the payment calculated in accordance with Condition 7.2 (*Capex Payment Calculation*);

"Capex Payment Billing Statement" has the meaning given to that term in Condition 10.1 (*Delivery of Capex Payment Billing Statement*);

"Capex Payment Period" means the period from the Start Date until the Specified Expiry Date;

"Capex Payment QCiL Differential" means [●];²⁷

"Capex Payment Rate" has the meaning given to that term in Condition 5 (*Definitions: Part 4*) of Part 4 (*Payment Calculations*);

"Capex Payment Year" means a period of one (1) year:

- (A) with the first such year commencing on the Start Date and each subsequent such year commencing on the anniversary of the Start Date; and
- (B) with the final such year ending on the Specified Expiry Date;

"Capture Outage Event" has the meaning given to that term in Condition 5 (*Definitions: Part 4*) of Part 4 (*Payment Calculations*);

"Capture Outage Relief Event" has the meaning given to that term in Condition 5 (*Definitions: Part 4*) of Part 4 (*Payment Calculations*);

"Capture Outage Relief Notice" has the meaning given to that term in Condition 5 (*Definitions: Part 4*) of Part 4 (*Payment Calculations*);

"Capture Outage Relief Response Notice" has the meaning given to that term in Condition 5 (*Definitions: Part 4*) of Part 4 (*Payment Calculations*);

"Capture Outage Relief Supporting Information" has the meaning given to that term in Condition 5 (*Definitions: Part 4*) of Part 4 (*Payment Calculations*);

"Capture Plant" has the meaning given to that term in the ICC Agreement;

"Capture Plant Delivery Point(s)" has the meaning given to that term in the ICC Agreement;

"Capture Plant Metering Dispute" means a Dispute which relates to the metering of the CO₂ that is delivered by the Installation to the Capture Plant;²⁸

"Capture Plant Metering Equipment" means the metering equipment which is required pursuant to the Capture Plant Metering Specification to meter the [Metered CO₂ Input]²⁹ which may include [●];³⁰

²⁷ Note to Reader: The calculation for the Capex Payment QCiL Differential is subject to further review by BEIS.

²⁸ Note to Reader: BEIS is considering whether pre-capture plant CO₂ will be metered.

²⁹ Note to Reader: BEIS is considering whether pre-capture plant CO₂ will be metered.

³⁰ Note to Reader: This definition is subject to further development.

"Capture Plant Metering Obligation" has the meaning given to that term in Condition 19.2 (*Undertakings: Capture Plant Metering Obligation*);³¹

"Capture Plant Metering Specification" has the meaning given to that term in [●];³²

"Capture Rate Breach Deadline" means the date which falls eighteen (18) Months after the date of a Capture Rate Breach Notice, as such date may be extended day for day for each day that the Emitter is delayed in achieving a Capture Rate Breach Rectification by reason of:

- (A) a Force Majeure in respect of which the Emitter is the FM Affected Party but only to the extent that the Emitter has satisfied the requirements and conditions of Condition 53 (*Force Majeure*) to be entitled to such extension; or
- (B) a Capture Outage Relief Event which directly affects the ability of the Emitter to achieve a Capture Rate Breach Rectification;

"Capture Rate Breach Notice" has the meaning given to that term in Condition 20.2 (*Notification of Minimum CO₂ Capture Rate Obligation breach*);

"Capture Rate Breach Rectification" has the meaning given to that term in Condition 20.3(A) (*Response to notification of Minimum CO₂ Capture Rate Obligation breach*);

"Capture Rate Breach Rectification Plan" means a plan developed by the Emitter and submitted to the ICC Contract Counterparty pursuant to Condition 20.5 (*Rectification of Minimum CO₂ Capture Rate Obligation breach*) setting out the Emitter's proposed actions and milestones (and proposed deadlines for completing such actions and milestones) in order to rectify a breach of the Minimum CO₂ Capture Rate Obligation and achieve a Capture Rate Breach Rectification;

"Capture Rate Breach Rectification Plan Deadline" has the meaning given to that term in Condition 20.5 (*Rectification of Minimum CO₂ Capture Rate Obligation breach*);

"Capture Rate Breach Rectification Plan Minimum Requirements" means the minimum required content of the Capture Rate Breach Rectification Plan to be provided by the Emitter to the ICC Contract Counterparty pursuant to Condition 20.5 (*Rectification of Minimum CO₂ Capture Rate Obligation breach*) which shall include, but shall not be limited to, the following:

- (A) the key steps the Emitter proposes to take to cure the breach of the Minimum CO₂ Capture Rate Obligation and achieve a Capture Rate Breach Rectification and the proposed dates by which such key steps will be completed;
- (B) the key milestones the Emitter proposes to achieve to cure the breach of the Minimum CO₂ Capture Rate Obligation and achieve a Capture Rate Breach Rectification and the proposed deadlines by which such key milestones will be achieved; and
- (C) the date by which the Emitter considers that it will be able to achieve a Capture Rate Breach Rectification;

"Capture Rate Breach Rectification Review Notice" has the meaning given to that term in Condition 20.6 (*Rectification of Minimum CO₂ Capture Rate Obligation breach*);

³¹ Note to Reader: BEIS is considering whether pre-capture plant CO₂ will be metered.

³² Note to Reader: This definition is subject to further development.

"Capture Rate Breach Response Notice" has the meaning given to that term in Condition 20.3 (*Response to notification of Minimum CO₂ Capture Rate Obligation breach*);

"Capture Rate Termination Event" means an event as set out in Condition 20.9 (*Failure to remedy Minimum CO₂ Capture Rate Obligation breach*);

"Carbon Intensity Audit Notice" has the meaning given to that term in Condition 24.7 (*Carbon Intensity Audit Right*);

"Carbon Intensity Audit Right" has the meaning given to that term in Condition 24.6 (*Carbon Intensity Audit Right*);

"Carbon Intensity Auditor's Certificate" means a certificate from an Auditor certifying that:

- (A) the Carbon Intensity Report has been prepared in accordance with the Reasonable and Prudent Standard, including in respect of its logical integrity and arithmetical accuracy under the assumptions and input data documented or applied by the Emitter; and
- (B) the relevant assumptions and input data identified in the Carbon Intensity Report reflect (in all material respects) the amounts, dates and formulaic calculation methods set out in the extracts of the source project documentation supplied to the Auditor;

"Carbon Intensity Data" means the [Metered CO₂ Input from Industrial Installation]³³ per unit of product manufactured, material treated and/or service provided by the Industrial Installation;

"Carbon Intensity Report" has the meaning given to that term in Condition 24.1 (*Emitter Undertaking: Excessive Carbon Creation*);

"Carbon Intensity Report Deadline" has the meaning given to that term in Condition 24.1 (*Emitter Undertaking: Excessive Carbon Creation*);

"Carbon Intensity Report Non-Compliance Notice" has the meaning given to that term in Condition 24.12;

"Carbon Intensity Report Response Notice" has the meaning given to that term in Condition 24.3 (*Emitter Undertaking: Excessive Carbon Creation*);

"Carbon Intensity Report Supporting Information" has the meaning given to that term in Condition 24.3(C) (*Emitter Undertaking: Excessive Carbon Creation*);

"Carbon Intensity Termination Event" Condition 24.11 (*Misleading Carbon Intensity Data or Excessive Carbon Creation*);

"Carbon Market Reference Price" has the meaning given to that term in Condition 5 (*Definitions: Part 4*) of Part 4 (*Payment Calculations*);

"Carbon Market Reference Price Review" has the meaning given to that term in Condition 5 (*Definitions: Part 4*) of Part 4 (*Payment Calculations*);

"CCP Affected Parties" means, in respect of a General Amendment, the emitters which are party to those CCUS Programme ICC Contracts to which the General Amendment is proposed to be made;

³³ Note to Reader: BEIS is considering whether pre-capture plant CO₂ will be metered.

"CCUS Programme" means a programme, as such programme may be updated from time to time, to deploy a system comprising the following:

- (A) capturing CO₂ that has been produced by, or in connection with, processes including:
 - (i) commercial electricity generation;
 - (ii) commercial industrial processes; or
 - (iii) commercial hydrogen production;
- (B) transporting such CO₂ that has been captured; and
- (C) disposing of such CO₂ that has been captured, by way of permanent storage;

"CCUS Programme ICC Contract" means an industrial carbon capture contract (as such term is defined in [●]);³⁴

"Change Control Procedure" means the rules, obligations and procedures set out in Annex 4 (*Change Control Procedure*);

"Change in Applicable Law" means:

- (A) the coming into effect, amendment, supplement, termination, repeal, replacement or withdrawal of or to: (i) any Law or Directive; or (ii) any Industry Document; or
- (B) a change in the interpretation or application of any Law, Directive or Industry Document by any Competent Authority;

"Change in Law" means:

- (A) the coming into effect, amendment, supplement, termination, repeal, replacement or withdrawal of or to: (i) any Law or Directive; (ii) any Industry Document; or (iii) any Required Authorisation; or
- (B) a change in the interpretation or application of any Law, Directive, Industry Document or Required Authorisation by any Competent Authority,

in each case after the Agreement Date and save (in each case) to the extent that the Change in Law:

- (i) arises out of, or in connection with, a breach of or default under or with respect to, that Law, Directive, Industry Document or Required Authorisation by the Emitter or any of its Representatives;
- (ii) arises out of, or in connection with, a failure by the Emitter or any of its Representatives to act in accordance with the Reasonable and Prudent Standard; or
- (iii) represents no more than a continuous improvement or development of good practice which would be complied with in respect of an industrial installation deploying CO₂ Capture Technology by an emitter acting in accordance with the Reasonable and Prudent Standard;

³⁴ Note to Reader: Relevant legislative reference to be confirmed.

"CHPQA" means the Combined Heat and Power Quality Assurance Standard, as published by the Department for Business, Energy & Industrial Strategy (Issue 7, dated December 2018) (as such standard may be amended, supplemented, restated or replaced from time to time);

"CHPQA Certificate" means a certificate issued in relation to the Industrial Installation pursuant to the CHPQA;

"CiAL Dispute" has the meaning given to that term in Condition 33.1 (*Procedure for raising a Dispute*);

"CiAL Dispute Emitter" has the meaning given to that term in Condition 33.1 (*Procedure for raising a Dispute*);

"CiAL Dispute Notice" has the meaning given to that term in Condition 33.1 (*Procedure for raising a Dispute*);

"CiAL Dispute Threshold Criterion" has the meaning given to that term in Condition 33.9 (*CiAL Dispute Threshold Criterion*);

"CiAL Dispute Validity Notice" has the meaning given to that term in Condition 33.3 (*Validity of CiAL Dispute Notices*);

"CiAL Request Criterion" has the meaning given to that term in Condition 32.3 (*Requirement to undertake a CiAL Review*);

"CiAL Request Notice" has the meaning given to that term in Condition 32.2 (*Requirement to undertake a CiAL Review*);

"CiAL Request Validity Notice" has the meaning given to that term in Condition 32.5 (*Validity of CiAL Dispute Notices*);

"CiAL Review" means a review conducted by the ICC Contract Counterparty pursuant to Condition 32.1 (*CiAL Review*) as to whether:

- (A) a Change in Applicable Law: (i) has been implemented, has occurred or has become effective; or (ii) is expected to be implemented, to occur or to become effective and, in each case as a direct result of such Change in Applicable Law being implemented, occurring or becoming effective, one (1) or more of the Required CiAL Amendment Objectives will cease to be met; and
- (B) as a consequence of one (1) or more of the Required CiAL Amendment Objectives ceasing to be met, Required CiAL Amendments are necessary;

"CiAL Review Notice" has the meaning given to that term in Condition 32.6 (*Notification of CiAL Review*);

"CiAL Review Outcome Notice" has the meaning given to that term in Condition 32.9 (*Notification of outcome of CiAL Review*);

"CiAL Review Response Deadline" has the meaning given to that term in Condition 32.6(B) (*Notification of CiAL Review*);

"CiAL Review Response Notice" has the meaning given to that term in Condition 32.7 (*Notification of CiAL Review*);

"CiAL Review Trigger" has the meaning given to that term in Condition 32.1 (*Requirement to undertake a CiAL Review*);

"Civil Procedure Rules" means the Civil Procedure Rules 1998;

"CJA" means the Criminal Justice Act 1993;

"Claimant" has the meaning given to that term in Condition 43.3 (*Expert Determination Procedure*);

"Classification Objection" has the meaning given to that term in paragraph 2.6(B)(ii)(a) of Annex 4 (*Change Control Procedure*);

"CMRP Dispute" has the meaning given to that term in paragraph 1 of Annex 6 (*Carbon Market Reference Price Review*);

"CMRP Dispute Emitter" has the meaning given to that term in paragraph 1 of Annex 6 (*Carbon Market Reference Price Review*);

"CMRP Dispute Notice" has the meaning given to that term in paragraph 1 of Annex 6 (*Carbon Market Reference Price Review*);

"CMRP Dispute Threshold Criterion" has the meaning given to that term in paragraph 1 of Annex 6 (*Carbon Market Reference Price Review*);

"CMRP Dispute Validity Notice" has the meaning given to that term in paragraph 1 of Annex 6 (*Carbon Market Reference Price Review*);

"CMRP Expert Appointment Threshold" has the meaning given to that term in paragraph 1 of Annex 6 (*Carbon Market Reference Price Review*);

"CMRP Fallback Settlement Unit" has the meaning given to that term in Condition 5 (*Definitions: Part 4*) of Part 4 (*Payment Calculations*);

"CMRP Inclusion Criteria" has the meaning given to that term in paragraph 1 of Annex 6 (*Carbon Market Reference Price Review*);

"CMRP Mechanism Amendment" has the meaning given to that term in paragraph 1 of Annex 6 (*Carbon Market Reference Price Review*);

"CMRP Principles" has the meaning given to that term in paragraph 1 of Annex 6 (*Carbon Market Reference Price Review*);

"CMRP Principles Prioritisation" has the meaning given to that term in paragraph 1 of Annex 6 (*Carbon Market Reference Price Review*);

"CMRP Principles Request Criterion" has the meaning given to that term in paragraph 1 of Annex 6 (*Carbon Market Reference Price Review*);

"CMRP Principles Request Notice" has the meaning given to that term in paragraph 1 of Annex 6 (*Carbon Market Reference Price Review*);

"CMRP Principles Request Validity Notice" has the meaning given to that term in paragraph 1 of Annex 6 (*Carbon Market Reference Price Review*);

"CMRP Principles Review" has the meaning given to that term in paragraph 1 of Annex 6 (*Carbon Market Reference Price Review*);

"CMRP Principles Review Implementation Date" has the meaning given to that term in paragraph 1 of Annex 6 (*Carbon Market Reference Price Review*);

"CMRP Principles Review Notice" has the meaning given to that term in paragraph 1 of Annex 6 (*Carbon Market Reference Price Review*);

"CMRP Principles Review Outcome Notice" has the meaning given to that term in paragraph 1 of Annex 6 (*Carbon Market Reference Price Review*);

"CMRP Principles Review Proposals" has the meaning given to that term in paragraph 1 of Annex 6 (*Carbon Market Reference Price Review*);

"CMRP Principles Review Response Deadline" has the meaning given to that term in paragraph 1 of Annex 6 (*Carbon Market Reference Price Review*);

"CMRP Principles Review Response Notice" has the meaning given to that term in paragraph 1 of Annex 6 (*Carbon Market Reference Price Review*);

"CMRP Principles Review Trigger" has the meaning given to that term in paragraph 1 of Annex 6 (*Carbon Market Reference Price Review*);

"CMRP Quality Criteria" has the meaning given to that term in paragraph 1 of Annex 6 (*Carbon Market Reference Price Review*);

"CMRP Review Calculation Period" has the meaning given to that term in paragraph 1 of Annex 6 (*Carbon Market Reference Price Review*);

"CMRP Source" has the meaning given to that term in paragraph 1 of Annex 6 (*Carbon Market Reference Price Review*);

"CMRP Source Live Day" has the meaning given to that term in paragraph 1 of Annex 6 (*Carbon Market Reference Price Review*);

"CMRP Trading Day" has the meaning given to that term in paragraph 1 of Annex 6 (*Carbon Market Reference Price Review*);

"CO₂" means carbon dioxide;

"CO₂ Capture Factor" means the CO₂ capture factor (*expressed as a percentage (%)*) for the Installation during each Settlement Unit calculated in accordance with the following formula:

$$ACF_i = \frac{CO2_{out_T\&S,i} - CO2_{aux,i}}{CO2_{in_II,i}}$$

where:

| | | |
|---------------------|---|--|
| ACF_i | = | Achieved CO ₂ Capture Factor (<i>expressed as a percentage (%)</i>) |
| $CO2_{out_T\&S,i}$ | = | Metered CO ₂ Output to T&S (tCO ₂) in the relevant Settlement Unit (<i>i</i>) |
| $CO2_{aux,i}$ | = | Auxiliary CO ₂ Generated (tCO ₂) in the relevant Settlement Unit (<i>i</i>) |
| $CO2_{in_II,i}$ | = | [Metered CO ₂ Input from Industrial Installation(tCO ₂)] ³⁵ in the relevant Settlement Unit (<i>i</i>) |

³⁵ Note to Reader: BEIS is considering whether pre-capture plant CO₂ will be metered.

"CO₂ Capture Rate Estimate" has the meaning given to that term in the ICC Agreement;

"CO₂ Capture Technology" means technology which is installed or implemented pursuant to the CCUS Programme and which:

- (A) captures some or all of the CO₂ or any substance consisting primarily of CO₂; and
- (B) temporarily stores, processes and exports CO₂ (or any substance consisting primarily of CO₂) for permanent storage and disposal and/or utilisation; or
- (C) carries out any other process which is preparatory or ancillary to limbs (A) and (B) of this definition;

"CO₂ Capture Test" means a test, as requested by the ICC Contract Counterparty at any time, to verify the Achieved CO₂ Capture Rate, Achieved CO₂ Storage Rate and/or the Deemed CO₂ Storage Rate;³⁶

"CO₂ Metering Data" means [●];³⁷

"CO₂ Metering Data Obligation" has the meaning given to that term in Condition 21.1 (*Notification of Metering Data*);

"CO₂ Metering Dispute" has the meaning given to that term in Condition 11.7 (*CO₂ Metering Dispute*);

"CO₂ Metering Equipment" means the metering equipment which is required pursuant to the CO₂ Metering Specification to meter the Metered CO₂ Output which may include flow meters, composition analysers, associated communications equipment, and any other necessary ancillary equipment and infrastructure;

"CO₂ Metering Obligation" has the meaning given to that term in Condition 19.1 (*Undertakings: CO₂ Metering Obligation*);

"CO₂ Metering Specification" means [●];³⁸

"CO₂ T&S Flow Rate" means the CO₂ flow rate (*expressed in tCO₂/h*) from the Installation to the T&S Network during [*the relevant period*] and calculated in accordance with Annex 2 (*Testing Requirements*), which is:

- (A) demonstrated pursuant to the OCP Performance Tests; and
- (B) evidenced pursuant to paragraph 2(C) of Part B of Annex 1 (*Conditions Precedent*);³⁹

"CO₂ T&S Flow Rate Estimate" has the meaning given to that term in the ICC Agreement;

³⁶ Note to Reader: The nature and duration of the verification test to be carried out by the Emitter at the ICC Contract Counterparty's request in order to verify the Achieved CO₂ Capture Rate, the Achieved CO₂ Storage Rate and/or the Deemed CO₂ Storage Rate is to be confirmed. Please see the Testing Requirements schedule in the DPA as an example of a proposed verification test.

³⁷ Note to Reader: This definition is subject to further development

³⁸ Note to Reader: The specific CO₂ metering standards are to be determined.

³⁹ Note to Reader: Testing Requirements schedule is to be developed. Please refer to the DPA Testing Requirements schedule as an example.

"CO₂ T&S Network Delivery Point(s)" has the meaning given to that term in the ICC Agreement;

"CO₂ Usage Delivery Point(s)" has the meaning given to that term in the ICC Agreement;

"CO₂ Usage Flow Rate" means the CO₂ flow rate (*expressed in tCO₂/h*) from the Installation which is utilised during [*the relevant period*] and calculated in accordance with Annex 2 (*Testing Requirements*), which is:

- (A) demonstrated pursuant to the OCP Performance Tests; and
- (B) evidenced pursuant to paragraph 2(D) of Part B of Annex 1 (*Conditions Precedent*);⁴⁰

"CO₂ Usage Flow Rate Estimate" has the meaning given to that term in the ICC Agreement;

"Collateral Amount" means an amount (*expressed in pounds*) calculated by the ICC Contract Counterparty in accordance with Condition 39.4 (*Collateral Amount*);

"Collateral Correction Notice" has the meaning given to that term in Condition 40.5 (*Altering collateral*);

"Collateral Posting Date" means the date by which the Emitter is required to transfer or deliver Acceptable Collateral, being no less than ten (10) Business Days after a Collateral Posting Notice is received;

"Collateral Posting Notice" has the meaning given to that term in Condition 39.2 (*Notification of collateral requirements*);

"Collateral Repayment Date" means an Initial Collateral Repayment Date or (if applicable) a Replacement Collateral Repayment Date;

"Commissioned" means that all of the Commissioning Tests have been successfully completed, followed or passed (as appropriate) in relation to the Capture Plant (or a part of the Capture Plant), and grammatical variations thereof shall be construed accordingly;

"Commissioning Tests" means all of the procedures and tests (including performance tests) considered to be satisfactory by the ICC Contract Counterparty and which, in accordance with the Reasonable and Prudent Standard, and in compliance with industry guidelines, practices and standards, are:

- (A) relevant to CO₂ capture installations which are the same as, or of a similar type to, the Capture Plant (including those which are relevant to the Installation Capture Technology);
- (B) required to be completed, followed or passed (as appropriate): (i) in order for a capturing facility to capture and export CO₂; or (ii) to demonstrate that a capturing facility is fit for commercial operation; and
- (C) required to be carried out in accordance with Annex 2 (*Testing Requirements*);⁴¹

⁴⁰ Note to Reader: Testing Requirements schedule is to be developed. Please refer to the DPA Testing Requirements schedule as an example.

⁴¹ Note to Reader: Testing Requirements schedule is to be developed. Please refer to the DPA Testing Requirements schedule as an example.

"Compensatory Interest" means any CP Compensatory Interest, OP Compensatory Interest and/or T&S Compensatory Interest (as applicable);

"Compensatory Interest Amount" means a CP Compensatory Interest Amount, an OP Compensatory Interest Amount and/or a T&S Compensatory Interest Amount (as applicable);

"Competent Authority" means:

- (A) any national, federal, regional, state, local, or other court, arbitral tribunal, administrative agency or commission or other governmental, administrative or regulatory body, authority, agency or instrumentality;
- (B) any private body to the extent it carries out one (1) or more public functions; or
- (C) any other body which has jurisdiction in respect of the Capture Plant, the Project, the ICC Contract and/or any other ICC Document,

and includes the Authority, the Economic Regulator, the Environment Agencies and the Secretary of State but excludes the ICC Contract Counterparty;

"Conditions" means these standard terms and conditions issued by the Secretary of State pursuant to [●];⁴²

"Conditions Precedent" means the Initial Conditions Precedent and the Operational Conditions Precedent and **"Condition Precedent"** shall be construed accordingly;

"Confidential Information" means ICC Contract Counterparty Confidential Information and Emitter Confidential Information;

"Connected Dispute" has the meaning given to that term in Condition 45.1(A) (*Consolidation of Connected Disputes*);

"Consolidation Request" has the meaning given to that term in Condition 45.2 (*Consolidation of Connected Disputes*);

"Contract Payment Term Commencement Date" means the earlier of the Start Date and the last day of the Target Commissioning Window;

"Contract Payment Term Year" means a period of one (1) year:

- (A) with the first such year commencing on the Contract Payment Term Commencement Date and each subsequent such year commencing on each anniversary of the Contract Payment Term Commencement Date; and
- (B) with the final such year ending on the Expiry Date;

"Contractor" means any contractor, sub-contractor, consultant or adviser of or to the Emitter;

"CP Billing Period" means a Month, except that the first CP Billing Period shall commence on the Start Date and end on the last day of the Month in which the ICC Contract Counterparty notifies the Emitter pursuant to the OCP Response Notice or Further OCP Response Notice (as relevant) that it has determined that all of the Operational Conditions Precedent have been satisfied or waived in accordance with Condition 3.28 (*Waiver of Conditions Precedent and Default*) and/or Condition 3.39 (*Waiver of Subsidy Control Declaration Operational CP*) (as

⁴² Note to Reader: Relevant legislative reference is to be confirmed.

applicable) and the last CP Billing Period shall commence on the first day of the last Month of the Capex Payment Period and end on the last day of the Capex Payment Period;

"CP Compensatory Interest" means the interest that is due and payable at the CP Compensatory Interest Rate in accordance with Condition 10.6 (*Calculation of CP Compensatory Interest Amount*);

"CP Compensatory Interest Amount" has the meaning given to that term in Condition 10.6 (*Calculation of CP Compensatory Interest Amount*);

"CP Compensatory Interest Rate" has the meaning given to that term in Condition 10.6 (*Calculation of CP Compensatory Interest Amount*);

"CP Net Payable Amount" means, in respect of a CP Billing Period, any amount which is due and payable by the Emitter to the ICC Contract Counterparty calculated in accordance with Condition 10.7 (*Calculation of CP Net Payable Amount*);

"CP Reconciliation Amounts" has the meaning given to that term in Condition 10.5 (*Calculation of CP Reconciliation Amounts*);

"CP Reconciliation Billing Period" has the meaning given to that term in Condition 10.6 (*Calculation of CP Reconciliation Amounts*);

"CPI" means:

- (A) the all items index of consumer price inflation published each Month by the Office for National Statistics;
- (B) if that index is no longer being published, such index as the ICC Contract Counterparty may reasonably determine to be appropriate in the circumstances; or
- (C) if there is a material change to the basis of that index, such other index as the ICC Contract Counterparty may from time to time reasonably determine to be appropriate in the circumstances;

"Crown Body" means any department, office or agency of the Crown;

"C(RTP) Act" means the Contracts (Rights of Third Parties) Act 1999;

"Declared CO₂ T&S Flow Rate Percentage" has the meaning given to that term in the ICC Agreement;⁴³

"Default" means: (i) a Termination Event; or (ii) an event or a circumstance which would (with the passage of time, the giving of notice, the making of any determination pursuant to the ICC Contract or any combination of any of the foregoing) be a Termination Event;

"Default Interest" has the meaning given to that term in Condition 12.1 (*Default Interest*);

"Default Termination Date" has the meaning given to that term in Condition 35.26(A) (*Default termination*);

⁴³ Note to Reader: This shall be the percentage of CO₂ captured by the Capture Plant which enters the T&S Network during the normal operation of the Capture Plant (i.e. where there are no Capture Outage Events or Full Capture Outage Events), which shall be notified to BEIS in the Emitter's application for an ICC Contract. This figure shall be verified during negotiations.

"Default Termination Notice" has the meaning given to that term in Condition 35.26 (*Default termination*);

"Default Termination Payment" means the amount (*expressed in pounds*) calculated in accordance with the formula set out in paragraph 1.1 of Part B (*Calculation of Default Termination Payment*) of Annex 3 (*Calculation of Termination Payments*);

"Default Termination Payment Notice" has the meaning given to that term in Condition 36.7(B) (*Consequences of default termination*);

"Deficient Collateral Amount" has the meaning given to that term in Condition 40.5(B) (*Altering Collateral*);

"Delivery CO₂ Quality Standards" means the compositional limits (minimum percentage of CO₂ and maximum levels of a range of impurities) that are permissible for entry to a T&S Network, together with the maximum and minimum entry pressure and maximum and minimum entry temperature, as specified by the relevant T&S Operator;⁴⁴

"Devolved Legislation" means any: (i) Act of the Scottish Parliament; (ii) Act or Measure of Senedd Cymru; (iii) Scottish statutory instrument within the meaning of section 27 of the Interpretation and Legislative Reform (Scotland) Act 2010; or (iv) Welsh subordinate legislation within the meaning of s.3(2) of the Legislation (Wales) Act 2019;

"Direct Agreement" means an agreement in substantially the form set out in Annex 5 (*Form of Direct Agreement*), or in such other form as may be agreed by the ICC Contract Counterparty (in its sole discretion);

"Directive" means, in relation to any Party, any ordinance, code, decision, directive, order, decree, regulation, determination, award, standard or rule of any Competent Authority:

- (A) which is legally binding upon that Party or, if not legally binding upon that Party, with which that Party would ordinarily comply, acting (in the case of the Emitter) in accordance with the Reasonable and Prudent Standard; and
- (B) in circumstances in which the Emitter is seeking to invoke the provisions of Part 7 (*Changes in Law*) with which the Emitter does in fact comply;

"Directors' Certificate" means a certificate signed by two (2) directors of the Emitter or one (1) director of the Emitter in the presence of a witness who attests the signature, such directors or director (as applicable) having made, and confirmed in the certificate as having made, all due and careful enquiries in relation to the information set out in such certificate (or set out in the notice, or enclosures or appendices to the notice, which such certificate is accompanying) and certifying that such information is in all material respects true, complete, accurate and not misleading, in each case by reference to the facts and circumstances then existing, provided that where any such information is provided by a third party that is not a holding company or subsidiary of the Emitter or a Representative of any such party or the Emitter and is marked as such, the certification of the director or directors (as applicable) of that information shall only extend to the certification that that information is in all material respects true, complete, accurate and not misleading to the best of their knowledge and belief having made all due and careful enquiries;

⁴⁴ Note to Reader: This definition is subject to the development of the T&S business model.

"Discriminatory Change in Law" means a Change in Law the terms of which specifically (and not merely indirectly or consequentially or by virtue of the disproportionate effect of any Change in Law that is of general application) apply to:

- (A) the Project and not to the design, development, construction, completion, testing, commissioning, operation, maintenance and decommissioning of any other project;
- (B) the Capture Plant and not to any other capture plant; or
- (C) the Emitter and not to any other person;

"Dispute" means any dispute or claim in any way relating to or arising out of the ICC Contract or any other ICC Document, whether contractual or non-contractual (and including any dispute or claim regarding: (i) their existence, negotiation, validity or enforceability; (ii) the performance or non-performance of a Party's obligations pursuant to them; or (iii) breach or termination of any of them);

"Dispute Information" has the meaning given to that term in Condition 41.7 (*Outline of Dispute Resolution Procedure*);

"Dispute Notice" has the meaning given to that term in Condition 41.3 (*Outline of Dispute Resolution Procedure*);

"Dispute Resolution Procedure" means the rules, obligations and procedures set out in Part 10 (*Dispute Resolution*) including the Arbitration Procedure and the Expert Determination Procedure;

"Economic Regulator" means the independent economic regulator of the economic regulatory regime for the T&S Network;

"Effective Projected CO₂ Output to T&S" has the meaning given to that term in Condition 27.31 (*Additional Calculations: Effective Projected CO₂ Output to T&S and Estimated CO₂ Output to T&S*);

"EIR" means the Environmental Information Regulations 2004, together with (where the context requires) any guidance and/or codes of practice issued by the Information Commissioner or relevant Crown Body in relation to such legislation;

"Eligibility Criteria" has the meaning given to that term in the ICC Agreement;

"Eligible Industrial Installation" means:

- (A) any industrial technology which is used to manufacture products, treat materials and/or provide services for use in or as part of an industrial process or collection of industrial process(es) and which falls within one (1) or more of the sectors set out in the Standard Industry Classification (SIC) codes 5 to 33, but excluding 24.46; and/or
- (B) provided that (A) also applies, the Capture Plant, provided that the Capture Plant does not capture emissions from any industrial technology which is used to manufacture products, treat materials and/or provide services for use in or as part of an industrial process or collection of industrial process(es) (including on Eligible Industrial Installation specified in (A)) but, for the avoidance of doubt excluding the Industrial Installation;

"Eligible Opex Costs" has the meaning given to that term in the ICC Agreement;

"Emitter" has the meaning given to that term in the ICC Agreement;

"Emitter Capture Rate Breach Remediation Notice" has the meaning given to that term in Condition 20.8(B) (*Rectification of Minimum CO₂ Capture Rate Obligation breach*);

"Emitter CO₂ Metering Data Breach Notice" has the meaning given to that term in Condition 21.3 (*Notification by Emitter of CO₂ Metering Data Obligation breach*);

"Emitter Confidential Information" means:

- (A) all Information which is confidential or proprietary in nature and which relates (directly or indirectly) to the Emitter, the Installation or the Project which the ICC Contract Counterparty (or its Representatives) receives or has received from:
 - (i) the Emitter (or its Representatives); or
 - (ii) any third party who receives or has received such Information from the Emitter (or its Representatives) in connection with the ICC Contract;

in each case including any Information which the ICC Contract Counterparty prepares which contains or makes explicit reference to such Information or from which such Information is readily ascertainable;

- (B) without prejudice to the generality of paragraph (A) above, all Information relating to:
 - (i) any QCiL Compensation or QCiL True-Up Compensation, including all Information relating to or arising from negotiations or discussions and correspondence in respect of any such QCiL Compensation or QCiL True-Up Compensation; and
 - (ii) any T&S Termination Payment, including all Information relating to or arising from negotiations or discussions and correspondence in respect of any such T&S Termination Payment; and
- (C) all Information which relates to or arises from negotiations, discussions and correspondence in connection with the ICC Contract,

but excluding in each case any Excluded Information;

"Emitter Metering Remediation Notice" has the meaning given to that term in Condition 19.6(C) (*Rectification of Metering Obligation breach*);

"Emitter Metering Remediation Notice Information Request" has the meaning given to that term in Condition 19.7 (*Rectification of Metering Obligation breach*);

"Emitter Net Payable Amount" means, in respect of a Billing Period, any amount which is due and payable by the Emitter to the ICC Contract Counterparty calculated in accordance with Condition 10.7 (*Calculation of CP Net Payable Amount*), 10.14 (*Calculation of OP Net Payable Amount*) and/or Condition 10.21 (*Calculation of T&S Net Payable Amount*) (as applicable);

"Emitter Notification Obligation Breach Notice" has the meaning given to that term in Condition 22.3 (*Notification by Emitter of Full Capture Outage Event Notification Obligation breach*);

"Emitter Permitted Purposes" means:

- (A) complying with the Emitter's responsibilities and obligations, and exercising the Emitter's rights, powers and discretions, under or in connection with the ICC Contract, any other ICC Document or the Grant Funding Agreement; and
- (B) complying with the Emitter's responsibilities and obligations under or by virtue of [●]⁴⁵, any other Law, or any Directive, policy or guidance;

"Emitter QCiL Notice" has the meaning given to that term in Condition 26.8 (*Qualifying Change in Law: Procedure*);

"Emitter QCiL Notice Information Request" has the meaning given to that term in Condition 26.11 (*Emitter QCiL Notice*);

"Emitter QCiL Response Notice" has the meaning given to that term in Condition 26.2 (*Emitter QCiL Response Notice*);

"Emitter QCiL Response Notice Information Request" has the meaning given to that term in Condition 26.6 (*Emitter QCiL Response Notice*);

"Emitter QCiL True-Up Notice" has the meaning given to that term in Condition 29.8 (*ICC Contract Counterparty QCiL True-Up Notice*);

"Emitter QCiL True-Up Notice Information Request" has the meaning given to that term in Condition 29.11 (*Emitter QCiL True-Up Notice*);

"Emitter QCiL True-Up Response Notice" has the meaning given to that term in Condition 29.3 (*Emitter QCiL True-Up Response Notice*);

"Emitter QCiL True-Up Response Notice Information Request" has the meaning given to that term in Condition 29.6 (*Emitter QCiL True-Up Response Notice*);

"Emitter Repeating Representations" means each of the representations and warranties set out in Condition 16.1 (*Emitter representations and warranties*) (other than in Conditions 16.1(G) (*No litigation*), and 16.1(H) (*No requirement to deduct or withhold*)) of the ICC Contract;

"Emitter T&S Prolonged Unavailability Remediation Notice" has the meaning given to that term in Condition 35.17(B) (*Failure to comply with T&S Prolonged Unavailability Procedure Obligation: Suspension*);

"Emitter T&S Prolonged Unavailability Response Deadline" has the meaning given to that term in Condition 35.8(B)(i)(a) (*Termination for T&S Prolonged Unavailability Event*);

"Environment Agencies" means: (i) the Environment Agency in England; (ii) Natural Resources Wales; and (iii) the Scottish Environment Protection Agency;

"Estimated CO₂ Output to T&S" has the meaning given to that term in Condition 27.32 (*Additional Calculations: Effective Projected CO₂ Output to T&S and Estimated CO₂ Output to T&S*);

"European Union" or **"EU"** means the European Union, established by the Treaty of the European Union signed at Maastricht on 7 February 1992 (as amended, supplemented or replaced by any later Treaty);

⁴⁵ Note to Reader: Relevant legislative reference to be confirmed.

"EU(W)A 2018" means the European Union (Withdrawal) Act 2018;

"Ex-Ante" means that the relevant QCiL Compensation will be calculated and paid in advance of the corresponding QCiL Costs, QCiL Savings and/or Adjusted Capture Period arising;

"Ex-Post" means that the relevant QCiL Compensation will be calculated and paid in arrears of the corresponding QCiL Costs, QCiL Savings and/or Adjusted Capture Period arising;

"Excessive Carbon Creation" means a material increase in the [Metered CO₂ Input from Industrial Installation]⁴⁶ per unit of product manufactured, material treated and/or service provided by the Industrial Installation (including, but not limited to, where the [Metered CO₂ Input from Industrial Installation]⁴⁷ exceeds the [Acceptable Carbon Intensity Threshold]) which arises out of or connection with:⁴⁸

- (A) the Emitter operating and/or maintaining the Industrial Installation in a way that is inconsistent with the Reasonable and Prudent Standard;
- (B) the Emitter operating and/or maintaining the Industrial Installation in a way that is designed to, or a main purpose of which is to, increase such [Metered CO₂ Input from Industrial Installation]⁴⁹ to maximise the Payments which are due to be made by the ICC Contract Counterparty to the Emitter pursuant to the ICC Contract; and/or
- (C) the Emitter's breach of a [Capture Plant Metering Obligation]⁵⁰;

"Excluded Change in Law" means a Change in Law which is not a Qualifying Change in Law;

"Excluded Information" means Information:

- (A) in, or which enters, the public domain otherwise than as a consequence of a breach of any provision of the ICC Contract; or
- (B) properly in the possession of the recipient on a non-confidential basis and not, to the knowledge of the recipient, as a result of a breach by it, its Representatives or any third party of any duty of confidentiality attaching thereto prior to such Information being acquired by or provided to it;

"Expected Annual Capture Factor" means:

- (A) in respect of the first calendar year of the Initial Term, the Initial Expected Annual Capture Factor; and
- (B) in respect of each subsequent calendar year of the Term, the Actual Annual Capture Factor for the immediately preceding calendar year,

as such CO₂ capture factor may be adjusted pursuant to Condition 6.17 (*Recalculations of Expected Annual Capture Factor*);

⁴⁶ Note to Reader: BEIS is considering whether pre-capture plant CO₂ will be metered.

⁴⁷ Note to Reader: BEIS is considering whether pre-capture plant CO₂ will be metered.

⁴⁸ Note to Reader: BEIS is considering the period of time over which any increase in the carbon intensity of the Industrial Installation will be measured and how this will be calculated.

⁴⁹ Note to Reader: BEIS is considering whether pre-capture plant CO₂ will be metered.

⁵⁰ Note to Reader: BEIS is considering whether pre-capture plant CO₂ will be metered.

"Expected Installation Data" means the Emitter's estimate, for each year (from 1 April to 31 March inclusive) of the remainder of the Term, of:

- (A) the expected CO₂ capture rate of the Installation (*expressed as a percentage (%)*) which is as it will be measured by the Installation Metering Equipment;
- (B) the expected mass quantity of CO₂ (*expressed in tCO₂*) that will be captured by the Installation which is as it will be measured by the Installation Metering Equipment;
- (C) *[any other information to be determined]*; ⁵¹
- (D) in relation to the estimates referred to at paragraphs (A) – [●], an explanation of the underlying assumptions and key uncertainties provided in a format to be determined by the ICC Contract Counterparty (acting reasonably); and
- (E) where a submission of the estimates or data referred to in paragraphs (A) – [●] has been made by the Emitter to the ICC Contract Counterparty, and where such estimates or data has changed significantly since the last submission, the reasons for those changes;

"Expected QCiL Effective Date" means the date on which a Qualifying Change in Law is expected to be implemented, occur or become effective;

"Expert" means any person appointed to determine a Dispute in accordance with Condition 43 (*Expert Determination Procedure*);

"Expert Appointment Date" means the date on which an Expert is appointed to determine an Expert Dispute by means of an appointment letter entered into by such Expert and each of the Parties;

"Expert Appointment Threshold" has the meaning given to that term in Condition 33.7 (*Expert Appointment Threshold*);

"Expert Determination Notice" has the meaning given to that term in Condition 43.1 (*Expert Determination Procedure*);

"Expert Determination Procedure" means the rules, obligations and procedures set out in Condition 43 (*Expert Determination Procedure*);

"Expert Determination Response Notice" has the meaning given to that term in Condition 43.3 (*Expert Determination Procedure*);

"Expert Dispute" means a Dispute which, pursuant to the terms of the ICC Contract, is to be referred for determination in accordance with the Expert Determination Procedure;

"Expert Referral Date" has the meaning given to that term in Condition 43.6(A) (*Expert Determination Procedure*);

"Expiry Date" means the Specified Expiry Date as such date may be extended in accordance with Conditions 2.2 to 2.5 (*Extension*);

"Extended Term" means any extension to the Term pursuant to Condition 2.2 to 2.5 (*Extension*);

⁵¹ Note to Reader: This definition is subject to further review by BEIS.

"Extension Delivery Date" means:

- (A) in relation to the Initial Term, the date which is twelve (12) Months prior to the expiry of the Initial Term; and
- (B) (if applicable) in relation to each Contract Payment Term Year of the Extended Term, the date which is twelve (12) Months prior to the expiry of such Contract Payment Term Year;

"Extension Delivery Window" means:

- (A) in relation to the Initial Term, the period from the date which is eighteen (18) Months prior to the expiry of the Initial Term to the date which is twelve (12) Months prior to the expiry of the Initial Term; and
- (B) (if applicable) in relation to each Contract Payment Term Year of the Extended Term, the period from the date which is eighteen (18) Months prior to the expiry of such Contract Payment Term Year to the date which is twelve (12) Months prior to the expiry of such Contract Payment Term Year;

"Extension Conditions" has the meaning given to that term in Condition 2.3(A) (*Extension*);

"Extension Request Certificate" has the meaning given to that term in Condition 2.2 (*Extension*);

"Extension Required CO₂ Capture Rate" means an Achieved CO₂ Capture Rate which is the higher of: (i) five (5) percentage points lower than the OCP Achieved CO₂ Capture Rate; and (ii) eighty five per cent. (85%);

"Extension Response Notice" has the meaning given to that term in Condition 2.3 (*Initial Extension*);

"First Submission" has the meaning given to that term in Condition 43.6(B) (*Expert Determination Procedure*);

"First Submission Deadline" has the meaning given to that term in Condition 43.6(B) (*Expert Determination Procedure*);

"Fitch" means Fitch Ratings Limited, an English corporation, and any successor thereto;

"Fixed Trajectory Reference Price" has the meaning given to that term in the ICC Agreement;

"FM Affected Party" has the meaning given to that term in Condition 53.1 (*Relief due to Force Majeure*);

"FoIA" means the Freedom of Information Act 2000 and any subordinate legislation made under that Act, together with (where the context requires) any guidance and/or codes of practice issued by the Information Commissioner or relevant Crown Body in relation to such legislation;

"FoIA Information" means any information of whatever nature, however conveyed, and in whatever form, including written, oral and electronic and in visual or machine-readable form (including CD-ROM, magnetic and digital form);

"Force Majeure" means any event or circumstance including;

- (A) any Change in Law (which expression, for the purposes of this definition, shall not include any Foreseeable Change in Law, and, in the period to the Start Date, shall include any change after the Agreement Date in the policy or guidance of any Competent Authority); and
- (B) any event or circumstance resulting from any action or omission by or of any ICC Contract Settlement Services Provider,⁵²

provided that such event or circumstance:

- (i) is beyond the reasonable control of the FM Affected Party or, if relevant, its Representatives (in the case of the Emitter and its Representatives, acting and having acted in accordance with the Reasonable and Prudent Standard);
- (ii) could not reasonably have been avoided or overcome by the FM Affected Party or its Representatives (as appropriate);
- (iii) is not due to the FM Affected Party's fault or negligence (or that of its Representatives); and
- (iv) is not a T&S Outage Event, a T&S Commissioning Delay Event or a T&S Cessation Event,

provided always that:

- (a) neither non-availability of funds nor the lack of funds shall ever constitute Force Majeure; and
- (b) no event or circumstance which has occurred before the Agreement Date of which, at or before the Agreement Date, the Emitter or any of its Representatives either was aware, or (if it or they had made all due and careful enquiries and acted to the Reasonable and Prudent Standard) could be expected to have been aware, shall constitute a Force Majeure;

"Forecast Data" has the meaning given to that term in Condition 25.2 (*Forecast Data*);

"Foreseeable Change in Law" means, in respect of a Change in Law, that the relevant change:

- (A) was published on or after 01 January 2000 but before the Agreement Date:
 - (i) in a draft Bill;
 - (ii) in a Bill;
 - (iii) in an Act of Parliament which had been enacted but which had not (in whole or in part) come into effect;
 - (iv) in Devolved Legislation which had not (as regards that Change in Law) come into effect;
 - (v) in draft subordinate legislation;

⁵² Note to Reader: This definition is subject to the further consideration by BEIS in terms of whether an equivalent CO₂ entity is referenced here.

- (vi) in draft Devolved Legislation;
- (vii) in subordinate legislation which had not (as regards that Change in Law) come into effect;
- (viii) in a draft Required Authorisation or Required Authorisation which had been made but which had not (as regards that Change in Law) come into effect;
- (ix) in a draft Directive or in a Directive which had been made but which had not (as regards that Change in Law) come into effect;
- (x) in a draft Treaty or other international agreement in relation to which Her Majesty's Government of the United Kingdom had made a public statement (from which it had not prior to the Agreement Date publicly resiled) that it would be a signatory; or
- (xi) in a Treaty or other international agreement to which the United Kingdom was a signatory but which had not (as regards that Change in Law) come into effect,

but only to the extent that the change has substantially the same effect as that which was contemplated in such publication and provided that the change shall not be deemed not to have substantially the same effect solely because it is enacted or brought into effect after the Agreement Date in a different form, or by a different person or Competent Authority, than when published before the Agreement Date;

- (B) is contemplated in a proposal or option(s) which was (or were) published on or after 01 January 2000 but before the Agreement Date:

- (i) in a consultation document of a Competent Authority and which is the stated preferred proposal (or, if only one (1) proposal was made, that proposal) of the Competent Authority (whether or not the Competent Authority is at the Agreement Date consulting (or has completed consulting) or considering (or has considered any) responses to the consultation), unless that proposal has been superseded by another stated preferred proposal or formally withdrawn, or the Competent Authority has formally indicated that it does not intend to proceed with it; or
- (ii) in a final modification report in respect of a relevant Industry Document,

but only to the extent that the change has substantially the same effect as that which was contemplated in such publication and provided that the change shall not be deemed not to have substantially the same effect solely because it is enacted or brought into effect after the Agreement Date in a different form, or by a different person or Competent Authority, than when published before the Agreement Date;

- (C) occurs as a result of the amendment, supplement, termination, repeal, replacement or withdrawal of all or part of any document which is referred to in any Law, Directive, Industry Document or Required Authorisation in existence at the Agreement Date, provided that:

- (i) a document setting out the nature of such amendment, supplement, termination, repeal, replacement or withdrawal (whether or not in draft) had been published on or before the Agreement Date; and
- (ii) such amendment, supplement, termination, repeal, replacement or withdrawal has substantially the same effect as that so published;

- (D) constitutes the re-enactment, re-making or similar of (in whole or in part) any Law, Directive, Industry Document or Required Authorisation, provided that the re-enacted, re-made or similar Law, Directive, Industry Document or Required Authorisation, as the case may be, has substantially the same effect as that of which it is a re-enactment, re-making or similar;
- (E) implements or gives effect to (the whole or part of) any Treaty which has been published on or after 01 January 2000 but before the Agreement Date (and notwithstanding that implementation proposals and/or related sanctions for any part of the United Kingdom have not been published or have not (in whole or in part) come into effect on the Agreement Date), provided that the implementation proposals and/or related sanctions which come into effect in the United Kingdom (or relevant part thereof) have substantially the same application as the provision in the Treaty which it implements;
- (F) results from any Required Authorisation or Directive obtained or made pursuant to or for the purposes of another Required Authorisation or Directive which has been made prior to or is in force on the Agreement Date (the **"First Required Authorisation or Directive"**) unless the Emitter is obliged to obtain such a Required Authorisation or Directive because of an unforeseeable amendment to the First Required Authorisation or Directive made after the Agreement Date;
- (G) results from any exercise of the Royal Prerogative where such exercise has the same, or substantially the same effect, as that which was proposed on or after 01 January 2000 but before the Agreement Date;
- (H) constitutes a change in the interpretation or application of a Law, Directive, Industry Document or Required Authorisation by any Competent Authority if such interpretation or application is in accordance with a proposal set out in a document (whether or not in draft) which was published on or after 01 January 2000 but before the Agreement Date and the change has substantially the same effect as that which was proposed in the document;
- (I) results from legal proceedings:
 - (i) commenced;
 - (ii) pending before any court, arbitral or other tribunal, administrative or regulatory body or, as the case may be, expert; or
 - (iii) threatened (by issue of a formal written notice before action or similar),
 against the Emitter on or prior to the Agreement Date; or
- (J) results from legal proceedings against the Installation (including legal proceedings against a Competent Authority in relation to a Required Authorisation) where, on or prior to the Agreement Date:
 - (i) notice of such proceedings had been published by the court, arbitral, or other tribunal, administrative or regulatory body, or, as the case may be, expert, hearing the legal proceedings;
 - (ii) the Emitter had been informed of such proceedings by any party to the legal proceedings, or by the court, arbitral or other tribunal, administrative or regulatory body, or, as the case may be, expert hearing the legal proceedings; or

- (iii) such proceedings were (a) commenced, (b) pending before any court, arbitral or other tribunal, administrative or regulatory body or, as the case may be, expert, or (c) threatened (by issue of a formal written notice before action or similar); and, in each case, the Emitter was aware, or could reasonably be expected to have become aware of such proceedings; or
- (K) results from an application for judicial review in respect of the grant of any of the Applicable Planning Consents, made:
 - (i) within six (6) weeks of the grant of the relevant Applicable Planning Consent, in relation to an application to which paragraph 5 of Rule 54.5 of the Civil Procedure Rules applies; or
 - (ii) within three (3) Months of the grant of the relevant Applicable Planning Consent, in relation to all other applications,

provided always that a Change in Law which imposes a requirement that the Installation permanently ceases operation shall not be a Foreseeable Change in Law;

"FSMA" means the Financial Services and Markets Act 2000;

"Full Capture Outage Event" means an event where the Capture Plant is fully unavailable;

"Full Capture Outage Event Access Right" has the meaning given to that term in Condition 22.8 (*Undertaking: Access to and test of Installation*);

"Full Capture Outage Event Access Termination Event" has the meaning given to that term in Condition 22.14 (*Failure to provide Full Capture Outage Event Access Right*);

"Full Capture Outage Event Inspection Notice" has the meaning given to that term in Condition 22.9 (*Undertaking: Access to and test of Installation*);

"Full Capture Outage Event End Notification" has the meaning given to that term in Condition 22.1(B) (*Notification of Full Capture Outage Events*);

"Full Capture Outage Event Notification" has the meaning given to that term in Condition 22.1(B) (*Notification of Full Capture Outage Events*);

"Full Capture Outage Event Notification Obligation" has the meaning given to that term in Condition 22.1 (*Notification of Full Capture Outage Events*);

"Full Capture Outage Event Start Notification" has the meaning given to that term in Condition 22.1(A) (*Notification of Full Capture Outage Events*);

"Full T&S Outage Event" means an event or circumstance affecting the relevant T&S Network which does not arise out of or in connection with any act, omission, breach or default by the Emitter or its Representatives, and which prevents the Capture Plant from accessing and exporting any CO₂ to such T&S Network for a period exceeding one (1) day;

"Funding Mechanism" means *[the relevant documentation]*⁵³ which makes provision for HMG to make payments to the ICC Contract Counterparty for the purpose of ensuring that the ICC

⁵³ Note to Reader: BEIS is considering what documentation will be put in place to confirm that HMG will provide funding to the ICC Contract Counterparty to enable the ICC Contract Counterparty to make payments pursuant to the CCUS Programme ICC Contracts.

Contract Counterparty is in sufficient funds to meet its liabilities in full pursuant to CCUS Programme ICC Contracts;

"Further Carbon Intensity Report Response Notice" has the meaning given to that term in Condition 24.4 (*Emitter Undertaking: Excessive Carbon Creation*);

"Further Extension Response Notice" has the meaning given to that term in Condition 2.4(C)(ii) (*Initial Extension*);

"Further Milestone Assessment Response Notice" has the meaning given to that term in Condition 4.4(C)(ii) (*Milestone Requirement Notice*);

"Further OCP Response Notice" has the meaning given to that term in Condition 3.10(C)(ii) (*Operational Conditions Precedent: General Reporting Obligations*);

"Further Opex Costs Early Reopener Response Notice" has the meaning given to that term in Condition 8.11(C)(ii) (*Opex Costs Early Reopener Adjustment*);

"Further Outage Relief Response Notice" has the meaning given to that term in Condition 5 (*Definitions: Part 4*) of Part 4 (*Payment Calculations*);

"Further TCDE Response Notice" has the meaning given to that term in Condition 3.33(C)(ii) (*T&S Connection Confirmation CP Relief*);

"General Amendment" means any Proposed Amendment which:

- (A) is a Technical Amendment; and
- (B) the ICC Contract Counterparty proposes be effected in respect of either:
 - (i) all CCUS Programme ICC Contracts to which the ICC Contract Counterparty is a party at the time the Amendment Notification in respect of the Proposed Amendment is given; or
 - (ii) all CCUS Programme ICC Contracts of a particular category to which the ICC Contract Counterparty is a party at the time the Amendment Notification in respect of the Proposed Amendment is given,

in each case, other than any CCUS Programme ICC Contract to which Annex 4 (*Change Control Procedure*) is expressed not to apply;

"Government Entity" means:

- (A) any department, non-departmental public body, authority or agency of Her Majesty's Government of the United Kingdom or the Crown;
- (B) any of Her Majesty's Secretaries of State and any other Minister of the Crown;
- (C) any body corporate established by statute, some or all of the members of which are appointed by a Secretary of State or Minister of the Crown; and
- (D) any other entity or person directly or indirectly wholly owned by, or held on trust for, any of the foregoing;

"Grant Funding Agreement" means the agreement for the provision of grant funding [entered into on or around the date of the ICC Agreement] between the Secretary of State and the Emitter;

"Group" means, in respect of any Party, its subsidiaries, subsidiary undertakings, associated undertakings and any holding company of the Party and all other subsidiaries, subsidiary undertakings and associated undertakings of any such holding company from time to time;

"HMG" means [Her Majesty's Government] in its capacity as funding body pursuant to the Funding Mechanism;⁵⁴

"ICC Agreement" means the agreement entered into between the ICC Contract Counterparty and the Emitter following the applicable contract allocation or negotiation process established pursuant to [●⁵⁵];

"ICC Contract" means the ICC Agreement which incorporates these Conditions;

"ICC Contract Counterparty" has the meaning given to that term in the ICC Agreement;

"ICC Contract Counterparty CO₂ Metering Data Breach Notice" has the meaning given to that term in Condition 21.2 (*Notification by ICC Contract Counterparty of CO₂ Metering Data Obligation breach*);

"ICC Contract Counterparty Confidential Information" means:

(A) all Information which is confidential or proprietary in nature and which relates (directly or indirectly) to the ICC Contract Counterparty or a Government Entity (including any such Information relating to the policy of Her Majesty's Government of the United Kingdom with respect to matters pertinent to CCUS Programme ICC Contracts or the ICC Contract) which the Emitter (or its Representatives) receives or has received from:

(i) the ICC Contract Counterparty (or its Representatives); or

(ii) any third party who receives or has received such Information from the ICC Contract Counterparty (or its Representatives) in respect of the ICC Contract,

in each case including any Information which the Emitter prepares which contains or makes explicit reference to such Information or from which such Information is readily ascertainable;

(B) without prejudice to the generality of paragraph (A) above, all Information relating to any QCiL Compensation or QCiL True-Up Compensation, including all Information relating to or arising from negotiations, discussions and correspondence in connection with any such QCiL Compensation or QCiL True-Up Compensation; and

(C) all Information which relates to or arises from negotiations, discussions and correspondence in connection with the ICC Contract,

but excluding in each case all Excluded Information;

"ICC Contract Counterparty Notification Obligation Breach Notice" has the meaning given to that term in Condition 22.2 (*Notification by ICC Contract Counterparty of Full Capture Outage Event Notification Obligation breach*);

"ICC Contract Counterparty Permitted Purposes" means:

⁵⁴ Note to Reader: This definition is subject to further review by BEIS.

⁵⁵ Note to Reader: Relevant legislative reference to be confirmed.

- (A) complying with the ICC Contract Counterparty's responsibilities and obligations, and exercising the ICC Contract Counterparty's rights, powers and discretions, under or in connection with the ICC Contract, any other ICC Document, the Grant Funding Agreement or any other CCUS Programme ICC Contract;
- (B) complying with the ICC Contract Counterparty's responsibilities and obligations under or by virtue of [●]⁵⁶, any other Law, or any Directive, policy or guidance;
- (C) reporting on the establishment, administration, performance or operation of, or compliance or non-compliance with, the obligations and arrangements contemplated by, or provided for in, the ICC Contract and/or CCUS Programme ICC Contracts; and
- (D) reporting to the Secretary of State on the performance, operation, and ICC Contract Settlement Activities of the Project to enable or assist the Secretary of State to fulfil its functions in connection with the CCUS Programme ICC Contract and/or CCUS Programme. The Secretary of State's functions include:
 - (i) the development of the CCUS Programme ICC Contract;
 - (ii) the development of the CCUS Programme; and
 - (iii) any examination of the performance, efficiency, and effectiveness of the Project;

"ICC Contract Counterparty QCiL Notice" has the meaning given to that term in Condition 26.1 (*ICC Contract Counterparty QCiL Notice*);

"ICC Contract Counterparty QCiL True-Up Notice" has the meaning given to that term in Condition 29.1 (*ICC Contract Counterparty QCiL True-Up Notice*);

"ICC Contract Counterparty Restricted Purposes" means:

- (A) complying with the ICC Contract Counterparty's responsibilities and obligations, and exercising the ICC Contract Counterparty's rights, powers and discretions, under or in connection with the ICC Contract, any other ICC Document or any other CCUS Programme ICC Contract; and
- (B) complying with the ICC Contract Counterparty's responsibilities and obligations under or by virtue of [●]⁵⁷, any other Law, or any Directive, policy or guidance;

"ICC Contract Settlement Activities" means:

- (A) the calculation, invoicing, recalculation and settlement of payments to be made pursuant to the ICC Contract; and
- (B) the calculation of collateral requirements and the provision of collateral in accordance with Part 9 (*Credit Support*);

"ICC Contract Settlement Required Information" means all the Information required by the ICC Contract Counterparty, or the ICC Contract Settlement Services Provider on its behalf, relating to the ICC Contract and required by it to carry out the ICC Contract Settlement Activities;

⁵⁶ Note to Reader: Relevant legislative reference to be confirmed.

⁵⁷ Note to Reader: Relevant legislative reference to be confirmed.

"ICC Contract Settlement Services Provider" means any person appointed for the time being and from time to time by the ICC Contract Counterparty to carry out any of the ICC Contract Settlement Activities, or who is designated by the Secretary of State to carry out the ICC Contract Settlement Activities, acting in that capacity;⁵⁸

"ICC Documents" means the ICC Contract and each of the agreements entered into between the Parties pursuant to it and **"ICC Document"** shall be construed accordingly;

"ICC Emitters" means, at the relevant time, all parties (other than the ICC Contract Counterparty) to CCUS Programme ICC Contracts, provided that, where there are two (2) or more parties to any CCUS Programme ICC Contract other than the ICC Contract Counterparty, only one (1) of them shall be counted for the purposes of this definition;

"ICE Futures Europe Index" has the meaning given to that term in paragraph 1 of Annex 6 (*Carbon Market Reference Price Review*);

"Income, Profits or Gains" includes any income, profits or gains which are deemed to be earned, accrued or received by the Emitter for the purposes of any Tax;

"Incomplete Billing Period" has the meaning given to that term in Condition 5 (*Definitions: Part 4*) of Part 4 (*Payment Calculations*);

"Incomplete Settlement Unit" has the meaning given to that term in Condition 5 (*Definitions: Part 4*) of Part 4 (*Payment Calculations*);

"Industrial Installation" has the meaning given to that term in the ICC Agreement;

"Industrial Installation Technology" has the meaning given to that term in the ICC Agreement;

"Industry Documents" means any and all agreements, codes and instruments regulating the capture, temporary storage, permanent storage, distribution, transportation, and trading of CO₂ in the United Kingdom, including any T&S Codes, and **"Industry Document"** shall be construed accordingly;

"Inflation Factor" means:

- (A) in the absence of any re-basing of the CPI which has taken effect prior to the relevant OP Indexation Anniversary in respect of each Settlement Unit (*i*):

$$\Pi_i = \frac{CPI_i}{CPI_{base}}$$

where:

Π_i = is the Inflation Factor;

CPI_i = denotes the CPI for January of the relevant calendar year or, where the CPI for January is not published by the first (1st) day of the Summer Season in such calendar year, the Reference CPI, which is applicable to the Settlement Unit (*i*);

CPI_{base} = denotes the Base Year CPI; or

⁵⁸ Note to Reader: This definition is subject to further review as the T&S business model develops.

- (B) if the CPI is re-based and such re-basing has taken effect prior to the OP Indexation Anniversary, in respect of each Settlement Unit (i):

$$\Pi_i = \frac{CPI_i^{new}}{CPI_{base}^{old}} \times \frac{CPI_b^{old}}{CPI_{base}^{new}}$$

where:

| | | |
|--------------------|---|--|
| Π_i | = | is the Inflation Factor; |
| CPI_i^{new} | = | is the CPI applicable to Settlement Unit (i), using the new (re-based) index; |
| CPI_{base}^{old} | = | is the Base Year CPI, using the original index; |
| CPI_b^{old} | = | is the CPI in the Month in which the re-basing has occurred using the original index; and |
| CPI_{base}^{new} | = | is the CPI in the Month in which the re-basing has occurred, using the new (re-based) index; |

"Information" means any information of whatever nature and in whatever form, including written, oral and electronic and in visual or machine-readable form (including CD-ROM, magnetic and digital form) and, in relation to any obligation of any person to provide information pursuant to the ICC Contract or any other ICC Document, shall be limited to such information that is within the control of that person, and for these purposes information shall be deemed to be within the control of a person if: (i) it is within the possession of such person; (ii) such person has a right to possession of it; or (iii) such person has a right to inspect or take copies of it;

"Information Commissioner" has the meaning given to that term in the FoIA;

"Initial CMRP Index" has the meaning given to that term in paragraph 1 of Annex 6 (*Carbon Market Reference Price Review*);

"Initial Collateral Repayment Date" means, in respect of any Collateral Posting Notice, the date falling twelve (12) Months after the Collateral Posting Date specified in such notice;

"Initial Conditions Precedent" means the conditions precedent set out in Part A of Annex 1 (*Conditions Precedent*) and **"Initial Condition Precedent"** shall be construed accordingly;

"Initial CP Provisions" means Part 7 (*Changes in Law*) and Part A (*CMRP Review Procedures*) of Annex 6 (*Carbon Market Reference Price Review*);

"Initial Expected Annual Capture Factor" has the meaning given to that term in the ICC Agreement;

"Initial Milestone Delivery Date" has the meaning given to that term in the ICC Agreement;

"Initial Strike Price" has the meaning given to that term in the ICC Agreement;

"Initial Target Commissioning Window" has the meaning given to that term in the ICC Agreement;

"Initial Term" has the meaning given to that term in Condition 2.1 (*Term and duration*);

"Inside Information" means Emitter Confidential Information which is **"inside information"** within the meaning of section 118C of the FSMA or section 56 of the CJA in relation to the Emitter or any member of its Group;

"Installation" has the meaning given to that term in the ICC Agreement;

"Installation Capture Technology" has the meaning given to that term in the ICC Agreement;

"Installation Metering Equipment" means the CO₂ Metering Equipment and/or the [Capture Plant Metering Equipment]⁵⁹ (as applicable);

"Intellectual Property Rights" means:

- (A) all intellectual property rights, including patents, trade marks, rights in designs, know-how, copyrights and database rights and topography rights (whether or not any of these is registered and including applications for registration of any such thing) and all rights or forms of protection of a similar nature or having equivalent or similar effect to any of these which may subsist anywhere in the world; and
- (B) all data and Information (whether or not Confidential Information);

"Law" means:

- (A) any Act of Parliament, any subordinate legislation within the meaning of section 21(1) of the Interpretation Act 1978;
- (B) any exercise of the Royal Prerogative;
- (C) any provision of Devolved Legislation whose subject matter falls within what was, immediately before IP Completion Day (as defined in s.39 European Union (Withdrawal Agreement) Act 2020), an area of exclusive or shared competence within the meaning of Articles 2, 3, 4 and 6 of the Treaty on the Functioning of the European Union; or
- (D) any retained EU law,

in each case in (A) to (D) (inclusive) in the United Kingdom (or part thereof), including Scotland and Wales; and
- (E) to the extent directly binding on and/or enforceable by or against private persons within the United Kingdom any obligations arising from or provided for in a Treaty or other international agreement to which the United Kingdom is a signatory;

"LCIA" means the London Court of International Arbitration;

"LCIA Arbitration Rules" means the arbitration rules published under that name by the LCIA;

"Legal Reservations" means: (i) the principle that equitable remedies may be granted or refused at the discretion of a court; (ii) the limitation of enforcement by laws relating to insolvency, reorganisation and other laws generally affecting the rights of creditors; (iii) the time barring of claims pursuant to applicable limitation laws; (iv) defences of set-off or counterclaim; and (v) similar principles, rights and defences available at law;

⁵⁹ Note to Reader: BEIS is considering whether pre-capture plant CO₂ will be metered.

"Lender" means any bank or financial institution (excluding any direct or indirect shareholder of the Emitter) which provides debt financing or refinancing in relation to the Installation;

"Letter of Credit" means an unconditional, irrevocable standby letter of credit denominated in pounds in form and content reasonably satisfactory to the ICC Contract Counterparty which is issued by a Qualifying Issuer and which shall be available for payment at a UK branch of such Qualifying Issuer in favour of the ICC Contract Counterparty or its designee;

"Letter of Credit Details Notice" has the meaning given to that term in Condition 40.3 (*Letters of Credit*);

"Longstop Date" means the last day of the Longstop Period following the final day of the Target Commissioning Window, as such date may be extended day for day for each day of delay to the Project by reason of:

- (A) a Force Majeure in respect of which the Emitter is the FM Affected Party but only to the extent that the Emitter has satisfied the requirements and conditions of Condition 53 (*Force Majeure*) to be entitled to such extension; or
- (B) a T&S Commissioning Delay Event but only to the extent that the Emitter has satisfied the requirements of Conditions 3.36 to 3.38 (*Relief due to T&S Commissioning Delay Event*) to be entitled to such extension;

"Longstop Period" has the meaning given to that term in the ICC Agreement;

"Material Adverse Effect" means, in respect of any Party, a material adverse effect on the ability of that Party to perform or comply with its obligations under the ICC Contract or any other ICC Document;

"Material Amendment" means any Proposed Amendment which would (taking into account, in the case of a Proposed Amendment providing for more than one (1) amendment, the net aggregate effect of all the Proposed Amendments contained within the relevant Amendment Notification) have an adverse effect on: (i) the revenues and/or costs of the Emitter which are not fully compensated; or (ii) the overall balance of risks, benefits and liabilities of the Emitter, in each case, pursuant to the ICC Contract;

"Material Amendment Agreement" has the meaning given to that term in paragraph 2.5 of Annex 4 (*Change Control Procedure*);

"Material Amendment Response Notification" has the meaning given to that term in paragraph 2.2(B) of Annex 4 (*Change Control Procedure*);

"Material Change" means in relation to the CO₂ Metering Equipment and/or [the Capture Plant Metering Equipment]⁶⁰, a change to the systems and/or processes relating to such equipment which is of such a type or magnitude as to raise the reasonable expectation that the Emitter's ability to meet its obligations under the ICC Contract relating to the CO₂ Metering Equipment and/or [the Capture Plant Metering Equipment]⁶¹ will be significantly affected;

"Material Equipment" has the meaning given to that term in the ICC Agreement;

"Maximum Annual CO₂ Capture Quantity" has the meaning given to that term in the ICC Agreement;

⁶⁰ Note to Reader: BEIS is considering whether pre-capture plant CO₂ will be metered.

⁶¹ Note to Reader: BEIS is considering whether pre-capture plant CO₂ will be metered.

"Maximum CO₂ Output to T&S" has the meaning given to that term in Condition 5 (*Definitions: Part 4*) of Part 4 (*Payment Calculations*);

"Maximum T&S Capacity" has the meaning given to that term in the ICC Agreement;]⁶²

"Maximum T&S Size of Connection" has the meaning given to that term in the ICC Agreement;]⁶³

"Metered CO₂ Input from Industrial Installation" means the mass quantity of CO₂ (*expressed in tCO₂*) from the Industrial Installation entering the Capture Plant during the relevant Settlement Unit, as measured by the [Capture Plant Metering Equipment]⁶⁴ at the Capture Plant Delivery Point(s) during such Settlement Unit;]⁶⁵

"Metered CO₂ Input" means the sum of:

- (A) the Metered CO₂ Input from Industrial Installation; and
- (B) (if applicable) the Auxiliary CO₂ Generated (*expressed in tCO₂*) entering the Capture Plant during the relevant Settlement Unit,

as measured by the [Capture Plant Metering Equipment]⁶⁶ at the Capture Plant Delivery Point(s) during such Settlement Unit (*expressed in tCO₂*);]⁶⁷

"Metered CO₂ Output" means the sum of:

- (A) limb (A) of the definition of Metered CO₂ Output to T&S (*expressed in tCO₂*); and
- (B) (if applicable) the mass quantity of CO₂ (*expressed in tCO₂*) from the Industrial Installation which is captured by the Capture Plant and which is intended to be utilised as measured by the CO₂ Metering Equipment at the CO₂ Usage Delivery Point(s), during each such Settlement Unit;

"Metered CO₂ Output to T&S" means:

- (A) subject to limbs (B) and (C), the mass quantity of CO₂ (*expressed in tCO₂*) entering the T&S Network from the Installation during the relevant Settlement Unit, as measured by the CO₂ Metering Equipment at the CO₂ T&S Network Delivery Point(s) during such Settlement Unit, as such mass quantity may be adjusted pursuant to Condition 27.22 (*QCiL Adjusted Capture Payment*) (if applicable);
- (B) if a Capture Outage Relief Event is deemed to have occurred in accordance with Condition 6.6(A) or 6.6(C)(ii), the Deemed CO₂ Output to T&S; or
- (C) [for the purposes of the calculation of the T&S Volumetric Fee only, if the actual Metered CO₂ Output to T&S in a Settlement Unit is greater than the Maximum CO₂ Output to T&S, the Metered CO₂ Output to T&S for such Settlement Unit shall be deemed to be equal to the Maximum CO₂ Output to T&S;]⁶⁸

⁶² Note to Reader: This definition is subject to further review as the T&S business model develops.

⁶³ Note to Reader: This definition is subject to further review as the T&S business model develops.

⁶⁴ Note to Reader: BEIS is considering whether pre-capture plant CO₂ will be metered.

⁶⁵ Note to Reader: BEIS is considering whether pre-capture plant CO₂ will be metered.

⁶⁶ Note to Reader: BEIS is considering whether pre-capture plant CO₂ will be metered.

⁶⁷ Note to Reader: BEIS is considering whether pre-capture plant CO₂ will be metered.

⁶⁸ Note to Reader: This definition is subject to further review as the T&S business model develops.

"Metered CO₂ Output to T&S Cut-Off Time" has the meaning given to that term in Condition 5 (*Definitions: Part 4*) of Part 4 (*Payment Calculations*);

"Metered CO₂ Output to T&S Data Recalculation Amount" has the meaning given to that term in Condition 5 (*Definitions: Part 4*) of Part 4 (*Payment Calculations*);

"Metered CO₂ Output to T&S Estimate" has the meaning given to that term in the ICC Agreement;

"Metering Access Right" has the meaning given to that term in Condition 19.14 (*Undertakings: Access to and testing of meters*);

"Metering Access Termination Event" means an event as set out in Condition 19.20 (*Failure to provide Metering Access Right*);

"Metering Breach Notice" has the meaning given to that term in Condition 19.3 (*Notification of Metering Obligation breach*);

"Metering Breach Response Notice" has the meaning given to that term in Condition 19.4 (*Response to notification of Metering Obligation breach*);

"Metering Breach Response Notice Period" has the meaning given to that term in Condition 19.4 (*Response to notification of Metering Obligation breach*);

"Metering Dispute" means a CO₂ Metering Dispute and/or a [Capture Plant Metering Dispute]⁶⁹ (as applicable);

"Metering Dispute Deadline" means the date which is twenty (20) Months after the Billing Period in which the disputed Settlement Unit occurred;⁷⁰

"Metering Inspection Notice" has the meaning given to that term in Condition 19.15 (*Undertakings: Access to and testing of meters*);

"Metering Obligation(s)" means the CO₂ Metering Obligations and/or [the Capture Plant Metering Obligations]⁷¹ (as applicable);

"Metering Remediation Plan" means a plan developed by the Emitter setting out appropriate milestones and actions to be taken to remedy a breach of a Metering Obligation;

"Metering Schematic Obligation" has the meaning given to that term in Condition 19.10 (*Undertakings: Metering Schematics*);

"Metering Schematic Obligation Notice" has the meaning given to that term in Condition 19.10(A) (*Undertakings: Metering Schematics*);

"Milestone Assessment Response Notice" has the meaning given to that term in Condition 4.3 (*Milestone Requirement Notice*);

"Milestone Delay Notice" has the meaning given to that term in Condition 4.8 (*Difficulties in achieving the Milestone Requirement*);

⁶⁹ Note to Reader: BEIS is considering whether pre-capture plant CO₂ will be metered.

⁷⁰ Note to Reader: Subject to further review by BEIS.

⁷¹ Note to Reader: BEIS is considering whether pre-capture plant CO₂ will be metered.

"Milestone Delivery Date" means the Initial Milestone Delivery Date, as such date may be extended day for day for each day of delay to the Project by reason of:

- (A) a Force Majeure in respect of which the Emitter is the FM Affected Party but only to the extent that the Emitter has satisfied the requirements and conditions of Condition 53 (*Force Majeure*) to be entitled to such extension; or
- (B) a T&S Commissioning Delay Event but only to the extent that the Emitter has satisfied the requirements of Conditions 3.36 to 3.38 (*Relief due to T&S Commissioning Delay Event*) to be entitled to such extension;

"Milestone Requirement" has the meaning given to that term in Condition 4.1 (*Milestone Requirement Notice*);

"Milestone Requirement Notice" has the meaning given to that term in Condition 4.1 (*Milestone Requirement Notice*);

"Milestone Satisfaction Date" means the date that the Emitter has complied with and fulfilled a Milestone Requirement as specified in the Milestone Assessment Response Notice or the Further Milestone Assessment Response Notice (as applicable);

"Minimum CO₂ Capture Rate" means an Average Achieved CO₂ Capture Rate which is equal to or greater than the higher of: (i) ten (10) percentage points lower than the OCP Achieved CO₂ Capture Rate; and (ii) eighty per cent. (80%);

"Minimum CO₂ Capture Rate Breach" has the meaning given to that term in Condition 20.2 (*Notification of Minimum CO₂ Capture Rate Obligation breach*);

"Minimum CO₂ Capture Rate Obligation" has the meaning given to that term in Condition 20.1 (*Undertaking: Minimum CO₂ Capture Rate*);

"Minimum Reporting Content Requirements" means the minimum required content of the report to be provided by the Emitter to the ICC Contract Counterparty pursuant to Condition 3.14(A) (*Operational Conditions Precedent: Construction Reporting Requirements*) detailing the Emitter's progress in relation to the Pre-Operation Activities which shall include, but shall not be limited to, the following:

- (A) an executive summary;
- (B) a summary of the Pre-Operation Activities carried out to date;
- (C) a schedule for the Project which: (i) compares the initial baseline schedule against actual progress achieved to date; and (ii) sets out forecast and actual key events including both critical and near critical path milestones, in each case in relation to the Pre-Operation Activities;
- (D) a baseline critical path together with any updated versions of the same;
- (E) an updated 'S' curve in relation to the Pre-Operation Activities;
- (F) a summary of the progress in obtaining finance for the Project (including equity, debt and other forms of finance) prior to the Milestone Delivery Date;
- (G) an earned value analysis figure showing progress against the earned value baseline, with commentary on any deviations from such baseline;
- (H) Project Cost Data; and

- (l) a summary of key risks relating to cost and schedule outturn for the Pre-Operation Activities, and the associated potential quantified impact of such risks;

"Misleading CO₂ Metering Data Termination Event" has the meaning given to that term in Condition 21.7 (*Misleading CO₂ Metering Data*);

"Misleading Full Capture Outage Event Notification Termination Event" has the meaning given to that term in Condition 22.7 (*Misleading Full Capture Outage Event Notification*);

"Month" means a calendar month;

"Monthly Capex Payment" means the payment calculated in accordance with Condition 7.1 (*Capex Payment Calculation*);

"Monthly Opex Payment" means the payment calculated in accordance with Condition 8.1 (*Opex Payment Calculation*);

"Moody's" means Moody's Investors Service, Inc., a Delaware corporation and any successor thereto;

"Mutual Appointment Decision" has the meaning given to that term in Condition 44.4 (*Arbitration Procedure*);

"No Alternative T&S Solution Reason" has the meaning given to that term in Condition 35.9(A)(iv) (*Termination for T&S Prolonged Unavailability Event*);

"Non-affected Party" has the meaning given to that term in Condition 53.4(A) (*Conditions to Force Majeure relief*);

"Notified Change in Law" means a Change in Law which constitutes a Qualifying Change in Law and to which an ICC Contract Counterparty QCiL Notice, an Emitter QCiL Notice or an Emitter QCiL Response Notice relates;

"NPA Payment Cure Period" has the meaning given to that term in Condition 37.1(B) (*Termination Events*);

"OCP Performance Tests" means the Commissioning Tests to be carried out and completed by the Emitter pursuant to paragraphs 2(B), 2(C) and 2(D) of Part B of Annex 1 (*Conditions Precedent*), in order to determine the CO₂ capture rate, the CO₂ T&S Flow Rate and, if applicable, the CO₂ Usage Flow Rate;

"OCP Achieved CO₂ Capture Rate" means the CO₂ capture rate (*expressed as a percentage (%)*) for the Installation determined during an OCP Performance Test and calculated as follows:

$$OCPACR = \frac{CO_{2out}}{CO_{2in}}$$

where:

$OCPACR$ = OCP Achieved CO₂ Capture Rate (*expressed as a percentage (%)*)

CO_{2out} = Metered CO₂ Output during an OCP Performance Test (tCO_2)

$$CO2_{in} = [\text{Metered } CO_2 \text{ Input}]^{72} \text{ during an OCP Performance Test (tCO}_2\text{)}$$

"OCP Non-Compliance Notice" has the meaning given to that term in Condition 3.11 (*Operational Conditions Precedent: General Reporting Obligations*);

"OCP Notice" has the meaning given to that term in Condition 3.7(B) (*Operational Conditions Precedent: General Reporting Obligations*);

"OCP Required CO₂ Capture Rate" means an OCP Achieved CO₂ Capture Rate which is equal to or greater than the higher of: (i) five (5) percentage points lower than the CO₂ Capture Rate Estimate; and (ii) eighty five per cent. (85%);

"OCP Response Notice" has the meaning given to that term in Condition 3.9 (*Operational Conditions Precedent: General Reporting Requirements*);

"OCP Supporting Information" has the meaning given to that term in Condition 3.9(B) (*Operational Conditions Precedent: General Reporting Obligations*);

"OP Billing Period" means a Month, except that the first OP Billing Period shall commence on the Start Date and end on the last day of the Month in which the ICC Contract Counterparty notifies the Emitter pursuant to the OCP Response Notice or Further OCP Response Notice (as relevant) that it has determined that all of the Operational Conditions Precedent have been satisfied or waived in accordance with Condition 3.28 (*Waiver of Conditions Precedent and Default*) and/or Condition 3.39 (*Waiver of Subsidy Control Declaration Operational CP*) (as applicable) and the last OP Billing Period shall commence on the first day of the last Month of the Opex Payment Period and end on the last day of the Opex Payment Period;

"OP Compensatory Interest" means the interest that is due and payable at the OP Compensatory Interest Rate in accordance with Condition 10.13 (*Calculation of OP Compensatory Interest Amount*);

"OP Compensatory Interest Amount" has the meaning given to that term in Condition 10.13 (*Calculation of OP Compensatory Interest Amounts*);

"OP Compensatory Interest Rate" has the meaning given to that term in Condition 10.13 (*Calculation of OP Compensatory Interest Amounts*);

"OP Indexation Adjustment" has the meaning given to that term in Condition 8.3 (*OP Indexation Adjustment*);

"OP Indexation Anniversary" has the meaning given to that term in Condition 8.4(A) (*OP Indexation Adjustment*);

"OP Mitigation Adjustment" has the meaning given to that term in the ICC Agreement;⁷³

⁷² Note to Reader: BEIS is considering whether pre-capture plant CO₂ will be metered.

⁷³ Note to Reader: The Strike Price will be adjusted during a T&S outage or capacity constraint by reference to costs that an Emitter will be able to mitigate, and will be deemed to have mitigated, in specific T&S outage or capacity constraint scenarios. Each scenario, the related assumed mitigation steps (i.e. the steps the Emitter will be deemed to have taken) and the corresponding agreed percentage of reduction to the Strike Price, which will apply until the end of the relevant scenario, will be agreed on a project-by-project basis and set out in the ICC Agreement. BEIS is considering the interaction of the OP Mitigation Adjustment and Opex Costs Early Reopener mechanisms.

"OP Net Payable Amount" means in respect of an OP Billing Period, the amount calculated in accordance with Condition 10.14 (*Calculation of OP Net Payable Amount*);

"OP Reconciliation Amounts" has the meaning given to that term in Condition 10.12 (*Calculation of OP Reconciliation Amounts*);

"OP Reconciliation Billing Period" has the meaning given to that term in Condition 10.13 (*Calculation of OP Compensatory Interest Amounts*);

"Operational Conditions Precedent" means the operational conditions precedent set out in Part B of Annex 1 (*Conditions Precedent*) and **"Operational Condition Precedent"** and **"OCP"** shall be construed accordingly;

"Operational CP Provisions" means all of the provisions of the ICC Contract other than the Agreement Date Provisions and the Initial CP Provisions;

"Opex Costs Early Reopener Adjustment" has the meaning given to that term in Condition 5 (*Definitions: Part 4*) of Part 4 (*Payment Calculations*);

"Opex Costs Early Reopener Cap" has the meaning given to that term in Condition 5 (*Definitions: Part 4*) of Part 4 (*Payment Calculations*);

"Opex Costs Early Reopener Materiality Threshold" has the meaning given to that term in Condition 5 (*Definitions: Part 4*) of Part 4 (*Payment Calculations*);

"Opex Costs Early Reopener Non-Compliance Notice" has the meaning given to that term in Condition 5 (*Definitions: Part 4*) of Part 4 (*Payment Calculations*);

"Opex Costs Early Reopener Notice" has the meaning given to that term in Condition 5 (*Definitions: Part 4*) of Part 4 (*Payment Calculations*);

"Opex Costs Early Reopener Response Notice" has the meaning given to that term in Condition 5 (*Definitions: Part 4*) of Part 4 (*Payment Calculations*);

"Opex Costs Early Reopener Supporting Information" has the meaning given to that term in Condition 5 (*Definitions: Part 4*) of Part 4 (*Payment Calculations*);

"Opex Payment" means the payment calculated in accordance with Condition 8.2 (*Opex Payment Calculation*);

"Opex Payment Billing Statement" has the meaning given to that term in Condition 10.8 (*Delivery of Opex Payment Billing Statement*);

"Opex Payment Period" means the period from the Start Date until the Expiry Date;

"Opex Payment QCiL Differential" means [●];⁷⁴

"Opex Payment Year" means:

- (A) during the Initial Term, a period of one (1) year:
 - (i) with the first such year commencing on the Start Date and each subsequent such year commencing on each anniversary of the Start Date; and

⁷⁴ Note to Reader: The calculation for the Opex Payment QCiL Differential is subject to further review by BEIS.

- (ii) with the final such year ending on the Specified Expiry Date; and
- (B) during the Extended Term, a period of one (1) year:
 - (i) with the first such year commencing on the Specified Expiry Date and each subsequent such year commencing on each anniversary of the Specified Expiry Date; and
 - (ii) with the final such year ending on the Expiry Date;

"Other CCUS Programme Contract" means a private law contract entered into with the ICC Contract Counterparty or the Secretary of State in relation to the CCUS Programme (which is not a CCUS Programme ICC Contract);⁷⁵

"Other Change in Law" means a Change in Law made by Her Majesty's Government of the United Kingdom or which Her Majesty's Government of the United Kingdom has formally required a Competent Authority to make and which in either such case has an undue (being not objectively justifiable) discriminatory effect on the out-of-pocket costs incurred or saved by the Emitter or the Project when compared with the out-of-pocket costs incurred or saved as a result of such Change in Law by:

- (A) all other emitters which operate industrial installations deploying the same or similar industrial process(es) as the Industrial Installation to produce the same or similar product or provide the same or similar service but which do not deploy CO₂ Capture Technology; or
- (B) all other emitters which operate industrial installations deploying CO₂ Capture Technology other than the Industrial Installation's CO₂ Capture Technology,

in each case in the United Kingdom, provided that the fact that a Change in Law has a disproportionate effect shall not, of itself, mean that it is discriminatory;

"Other Subsidy" has the meaning given to that term in Condition 25.13 (*Waiver of Emitter's Obligation to Repay Subsidy, State aid and/or Union Funding*);

"Party" means a party to the ICC Contract;

"Payment Disruption Event" means a material disruption to those payment systems or to those financial markets which are, in each case, required to operate in order for payments or transfers of money to be made pursuant to the ICC Contract which the PDE Affected Party (or, if relevant, its Representatives) could not reasonably have overcome and which is not due to the PDE Affected Party's fault or negligence (or that of its Representatives);

"Payment Failure" means a failure by the Emitter to pay any Net Payable Amount in accordance with Condition 11.1, 11.2 or 11.3 (*Payment from Emitter*) (as applicable) (except to the extent that such failure is due to the occurrence of a Payment Disruption Event and the Emitter, as the PDE Affected Party, has complied with Condition 52.2 (*Conditions to Payment Disruption Event relief*) but irrespective of whether or not the Emitter has paid any such OP Net Payable Amount within the applicable NPA Payment Cure Period);

"Payments" means the Capex Payment, the Opex Payment and/or the T&S Payment (as applicable);

⁷⁵ Note to Reader: This definition is subject to further review.

"PDE Affected Party" has the meaning given to that term in Condition 52.1 (*Relief due to Payment Disruption Event*);

"PDE Obligations" has the meaning given to that term in Condition 52.1 (*Relief due to Payment Disruption Event*);

"Post-Tax Real Discount Rate" has the meaning given to that term in the ICC Agreement;

"Posted Collateral" means the aggregate amount of all Acceptable Collateral transferred or delivered by or on behalf of the Emitter in accordance with the ICC Contract from time to time to the extent that the same has not been: (i) returned to the Emitter by or on behalf of the ICC Contract Counterparty pursuant to the provisions of Part 9 (*Credit Support*); or (ii) subject to a Posted Collateral Demand;

"Posted Collateral Demand" has the meaning given to that term in Condition 40.10 (*Making a Posted Collateral Demand*);

"Pre-Operation Activities" means the design, procurement, development, construction, completion, testing, and commissioning of the Installation, and grammatical variations thereof shall be construed accordingly;

"Pre-Start Date Termination Date" has the meaning given to that term in Condition 35.1(E)(i) (*Pre-Start Date termination*);

"Pre-Start Date Termination Notice" has the meaning given to that term in Condition 35.1 (*Pre-Start Date termination*);

"Previous Subsidy" has the meaning given to that term in Condition 3.40(A)(i) (*Waiver of Subsidy Control Declaration Operational CP*);

"Pro Forma" has the meaning given to that term in Condition 64.2 (*Pro forma notices*);

"Proceedings" means any proceeding, suit or action relating to or arising out of a Dispute, the ICC Contract or any other ICC Document;

"Project" means the design, development, construction, completion, testing, commissioning, operation, maintenance and decommissioning of the Capture Plant pursuant to the ICC Contract;

"Project Commitments" has the meaning given to that term in the ICC Agreement;

"Project Cost Data" means details of the following costs incurred by the Emitter in respect of the Project:

- (A) pre-development costs;
- (B) regulatory and licensing costs;
- (C) engineering, procurement and construction costs, including:
 - (i) mechanical costs;
 - (ii) electrical costs;
 - (iii) control and instrument costs;
 - (iv) civil and architectural costs; and

(D) infrastructure costs;

"Project Delay Notice" has the meaning given to that term in Condition 3.15 (*Operational Conditions Precedent: Construction Reporting Requirements*);

"Prolonged FM Event" has the meaning given to that term in Condition 35.5 (*Termination for Prolonged Force Majeure*);

"Prolonged FM Event Notice" has the meaning given to that term in Condition 35.5 (*Termination for Prolonged Force Majeure*);

"Prolonged FM Termination Date" has the meaning given to that term in Condition 35.6 (*Termination for Prolonged Force Majeure*);

"Prolonged FM Termination Notice" has the meaning given to that term in Condition 35.6 (*Termination for Prolonged Force Majeure*);

"Prolonged FM Trigger Date" has the meaning given to that term in Condition 35.5 (*Termination for Prolonged Force Majeure*);

"Proposed Amendment" has the meaning given to that term in paragraph 2.1(A) of Annex 4 (*Change Control Procedure*);

"Proposed Amendment Effective Date" has the meaning given to that term in paragraph 2.1(B) of Annex 4 (*Change Control Procedure*);

"Proposed CiAL Expert" has the meaning given to that term in Condition 33.3(A) (*Validity of CiAL Dispute Notices*);

"Proposed CMRP Expert" has the meaning given to that term in paragraph 1 of Annex 6 (*Carbon Market Reference Price Review*);

"QCiL Adjusted Capture Payment" has the meaning given to that term in Condition 27.1(C) (*Categories of Qualifying Change in Law compensation*);

"QCiL Adjusted Capture Period Adjustment" means any QCiL Compensation which has been, or will be, made by way of a QCiL Adjusted Capture Payment;

"QCiL Capex Payment" has the meaning given to that term in Condition 27.1(B) (*Categories of Qualifying Change in Law compensation*);

"QCiL Capex Payment Adjustment Date" means the date which falls on the date on which eighty per cent. (80%) of the Initial Term has expired;

"QCiL Capital Costs" means QCiL Costs that relate to the acquisition, disposal, modification or construction of any asset in respect of the Project (including costs of site preparation, initial delivery and handling costs, installation and assembly costs, costs incurred in testing whether the asset is functioning properly and professional fees, in each case which are directly associated with the acquisition, modification or construction of the relevant asset);

"QCiL Capital Savings" means QCiL Savings that relate to the acquisition, disposal, modification or construction of any asset in respect of the Project (including costs of site preparation, initial delivery and handling costs, installation and assembly costs, costs incurred in testing whether the asset is functioning properly and professional fees, in each case which are directly associated with the acquisition, modification or construction of the relevant asset);

"QCiL Compensation" means: (i) a QCiL Opex Payment; (ii) a QCiL Capex Payment; (iii) a QCiL Adjusted Capture Payment; (iv) a QCiL Construction Event Payment; (v) a QCiL Operations Cessation Event Payment; and (vi) any combination of any of the foregoing, as such amounts are calculated in accordance with Condition 27 (*Qualifying Change in Law: Compensation*);

"QCiL Compensation Date" has the meaning given to that term in Condition 28.1 (*Qualifying Change in Law: Effective date and payment*);

"QCiL Compensation Termination Date" has the meaning given to that term in Condition 35.30 (*QCiL Compensation termination*);

"QCiL Compensation Termination Notice" has the meaning given to that term in Condition 35.30 (*QCiL Compensation termination*);

"QCiL Construction Event" means a Qualifying Change in Law which is implemented, occurs or becomes effective after the Agreement Date and before the Start Date and which will permanently prevent the Emitter, acting in accordance with the Reasonable and Prudent Standard, from Commissioning the Capture Plant by virtue of the necessary construction, testing, completion or commissioning of the Capture Plant becoming illegal;

"QCiL Construction Event Costs" means, in relation to a QCiL Construction Event, all irrecoverable and unavoidable out-of-pocket costs (including QCiL Tax Liabilities) which have been, will be or are reasonably likely to be incurred in respect of the Project by the Emitter arising directly from such QCiL Construction Event occurring, if and to the extent that such costs have been incurred by the Emitter (or an Affiliate of the Emitter on the Emitter's behalf) following the Agreement Date and such costs constitute:⁷⁶

- (A) development and pre-development costs in respect of the Capture Plant (including the cost of surveys and environmental impact assessments in respect of the Capture Plant);
- (B) decommissioning costs in respect of the Capture Plant;
- (C) break costs associated with the Emitter's contractual arrangements in respect of the Project; or
- (D) costs which are wholly attributable to the construction, testing, completion or commissioning of the Capture Plant,

but excluding:

- (i) all other compensation which has been, will be or is reasonably likely to be payable by the Emitter in connection with such QCiL Construction Event; and
- (ii) all costs associated with the Emitter's financing arrangements in respect of the Project (including all interest incurred in respect of such financing arrangements and all associated break costs) except where expressly specified in any of paragraphs (A) to (D) above.

"QCiL Construction Event Payment" has the meaning given to that term in Condition 27.1(D) (*Categories of Qualifying Change in Law compensation*);

⁷⁶ Note to Reader: BEIS is considering whether to include controls or limits on some or all of the elements of the QCiL Construction Event Costs.

"QCiL Construction Event Savings" means, in relation to a QCiL Construction Event, all savings (including avoided out-of-pocket costs, reliefs from or reductions in a QCiL Tax Liability, insurance proceeds and other compensation (including the net recoverable value⁷⁷ of the Capture Plant)) which have been, will be or are reasonably likely to be made or received in respect of the Project by the Emitter arising directly from such QCiL Construction Event occurring;

"QCiL Costs" means, in relation to a Qualifying Change in Law, all out-of-pocket costs (including QCiL Tax Liabilities) which have been, will be or are reasonably likely to be incurred in respect of the Project by the Emitter arising directly as a result or in anticipation of such Qualifying Change in Law being implemented, occurring or becoming effective, but excluding: (i) any Default Termination Payment; (ii) all costs incurred in respect of the agreement or determination of the amount of the Default Termination Payment; and (iii) all costs associated with the Emitter's financing arrangements in respect of the Project (including interest incurred in respect of such financing arrangements and all associated break costs);

"QCiL Effective Date" means the date on which a Qualifying Change in Law has been implemented, has occurred or has become effective;

"QCiL Net Capital Costs" means, if QCiL Capital Costs exceed QCiL Capital Savings in respect of a Qualifying Change in Law, the QCiL Capital Costs less the QCiL Capital Savings;

"QCiL Net Capital Savings" means, if QCiL Capital Savings exceed QCiL Capital Costs in respect of a Qualifying Change in Law, the QCiL Capital Savings less the QCiL Capital Costs;

"QCiL Net Operating Costs" means, if QCiL Operating Costs exceed QCiL Operating Savings in respect of a Qualifying Change in Law, the QCiL Operating Costs less the QCiL Operating Savings;

"QCiL Net Operating Savings" means, if QCiL Operating Savings exceed QCiL Operating Costs in respect of a Qualifying Change in Law, the QCiL Operating Savings less the QCiL Operating Costs;

"QCiL Operating Costs" means all QCiL Costs other than QCiL Capital Costs;

"QCiL Operating Savings" means all QCiL Savings other than QCiL Capital Savings;

"QCiL Operations Cessation Event" means:

- (A) a Qualifying Change in Law which is implemented, occurs or becomes effective on or after the Start Date and which will permanently prevent the Emitter, acting in accordance with the Reasonable and Prudent Standard, from operating the Capture Plant by virtue of such operation becoming illegal; or
- (B) a Qualifying Shutdown Event which occurs on or after the Start Date;

"QCiL Operations Cessation Event Costs" means, in relation to a QCiL Operations Cessation Event, all irrecoverable and unavoidable out-of-pocket costs (including QCiL Tax Liabilities and break costs associated with the Emitter's contractual arrangements in respect of the Project) which have been, will be or are reasonably likely to be incurred in respect of the Project by the Emitter arising directly from such QCiL Operations Cessation Event occurring, but excluding:

⁷⁷ Note to Reader: BEIS is undertaking further work in relation to the calculation of the net recoverable value.

- (A) all other compensation which has been will be or which is reasonably likely to be payable by the Emitter in connection with such QCiL Operations Cessation Event; and
- (B) all costs associated with the Emitter's financing arrangements in respect of the Project (including all interest accrued in respect of such financing arrangements and all associated break costs);

"QCiL Operations Cessation Event Payment" has the meaning given to that term in Condition 27.1(E) (*Categories of Qualifying Change in Law compensation*);

"QCiL Operations Cessation Event Savings" means, in relation to a QCiL Operations Cessation Event, all savings (including avoided out-of-pocket costs, reliefs from or reductions in a QCiL Tax Liability, insurance proceeds and other compensation) which have been, will be or are reasonably likely to be made or received in respect of the Project by the Emitter arising directly from such QCiL Operations Cessation Event occurring;

"QCiL Opex Payment" has the meaning given to that term in Condition 27.1(A) (*Categories of Qualifying Change in Law compensation*);

"QCiL Response Information" has the meaning given to that term in Condition 26.2 (*Emitter QCiL Response Notice*);

"QCiL Savings" means, in relation to a Qualifying Change in Law, all savings (including avoided out-of-pocket costs, reliefs from or reductions in a QCiL Tax Liability, insurance proceeds and other compensation) which have been, will be or are reasonably likely to be made or received in respect of the Project by the Emitter arising directly as a result or in anticipation of such Qualifying Change in Law being implemented, occurring or becoming effective;

"QCiL Strike Price Adjustment" means any QCiL Compensation which has been, or will be, made by way of a Strike Price Adjustment;

"QCiL Supporting Information" has the meaning given to that term in Condition 26.8 (*Emitter QCiL Notice*);

"QCiL Tax" means any Tax other than any Tax on gross or net Income, Profits or Gains, save to the extent that the rate at which such Tax on gross or net Income, Profits or Gains is chargeable has been introduced or amended by a Qualifying Change in Law or a Qualifying Shutdown Event, as the case may be;

"QCiL Tax Liability" means:

- (A) a liability of the Emitter to make an actual payment of a QCiL Tax to a tax authority; and
- (B) the loss to the Emitter of, or a reduction to the Emitter in the amount of, a right to repayment of Tax to which it would otherwise be entitled but for such amount being set off against any liability of the Emitter to make an actual payment of QCiL Tax;

"QCiL Termination Date" has the meaning given to that term in Condition 35.28 (*Qualifying Change in Law termination*);

"QCiL Termination Notice" has the meaning given to that term in Condition 35.28 (*Qualifying Change in Law termination*);

"QCiL True-Up Adjusted Capture Period Adjustment" means any QCiL True-Up Compensation that has been, or will be, made by way of an adjustment to the the Metered CO₂ Output to T&S which is effected pursuant to and in accordance with the ICC Contract;

"QCiL True-Up Compensation" means the adjustment to the QCiL Compensation which is necessary to reflect the QCiL True-Up Information;

"QCiL True-Up Information" has the meaning given to that term in Condition 29.1 (*ICC Contract Counterparty QCiL True-Up Notice*);

"QCiL True-Up Response Information" has the meaning given to that term in Condition 29.3 (*Emitter QCiL True-Up Response Notice*);

"QCiL True-Up Strike Price Adjustment" means any QCiL True-Up Compensation which has been, or will be, made by way of a Strike Price Adjustment;

"QSE Notice" has the meaning given to that term in Condition 30.1 (*Qualifying Shutdown Event: Procedure*);

"Qualifying Change in Law" means:

- (A) a Discriminatory Change in Law;
- (B) a Specific Change in Law; or
- (C) an Other Change in Law,

which, in each case, is not a Foreseeable Change in Law, and provided that no decision by any Subsidy Control Competent Authority in respect of the application of the Subsidy Control Rules to the ICC Contract or CCUS Programme ICC Contracts (including the annulment, invalidation, suspension, revocation, modification or replacement of any prior decision pursuant to such rules) shall constitute a Qualifying Change in Law;

"Qualifying Issuer" means: (i) a bank or financial institution having a minimum short-term rating of A-1 with Standard and Poor's, P-1 with Moody's or F1 with Fitch; or (ii) such other bank or financial institution, having such minimum rating as the ICC Contract Counterparty may consent to or specify from time to time;

"Qualifying Shutdown Event" means:

- (A) Her Majesty's Government of the United Kingdom or the Secretary of State or any other Minister of the Crown or any department of Her Majesty's Government of the United Kingdom (each, a **"Government Authority"**): (i) applying, implementing or changing the Law which is in force from time to time, (ii) applying or exercising its powers under such Law; or (iii) applying, implementing and/or changing policy or guidance which has effect from time to time;
- (B) the exercise of powers by a UK Competent Authority, where such exercise of powers was required by a direction made under statutory powers by a Government Authority; or
- (C) the exercise of powers by a UK Competent Authority, where the UK Competent Authority has not acted independently of a Government Authority in such exercise of powers, and for this purpose a UK Competent Authority shall be deemed to have acted independently of a Government Authority unless such exercise of powers was procured by the Government Authority,

other than any application, implementation, change, exercise of powers or other action required by, or necessary for compliance with, international or EU law, policy or guidance (provided such international or EU law, policy or guidance was not promoted by such Government Authority and, in relation to any international or EU law, policy or guidance

proposed after the Agreement Date, such Government Authority has used its reasonable endeavours to prevent the adoption of such international or EU law, policy or guidance (such reasonable endeavours not to include an obligation on any Government Authority to take legal proceedings to challenge such adoption)), and which the Emitter is able to demonstrate to the satisfaction of an English court of competent jurisdiction: (i) imposes a requirement that permanently prevents the Capture Plant from operating; or (ii) is the refusal or the failure to give approval, for a period in excess of twenty-four (24) Months, to a request for consent to any re-start of the Capture Plant, (each, a **"Shutdown Event"**) unless, in any such case, the Shutdown Event was for reasons:

- (i) relating to or in connection with matters of health, safety, security, environment, transport or damage to property (the **"Relevant Matters"**) affecting (directly or indirectly): (1) the Installation or the capture of CO₂ therefrom; (2) the Emitter; (3) the land on which the Installation is situated; or (4) the management of any of (1) to (3);
- (ii) arising out of, in connection with, or resulting from the negligence, breach or fault of, or a failure to act in accordance with the Reasonable and Prudent Standard by, the Emitter or any of its Representatives, where at the time of the Shutdown Event it was justifiable in the circumstances to prevent the operation, or refuse to consent to any re-start, of the Capture Plant; or
- (iii) relating to any decision by any Subsidy Control Competent Authority in respect of the application of the Subsidy Control Rules in the ICC Contract or CCUS Programme ICC Contracts (including the annulment, invalidation, revocation, modification, suspension or replacement of any prior decision pursuant to such rules);

"Reasonable and Prudent Standard" means the standard of a person seeking in good faith to comply with its contractual obligations and, in so doing and in the general conduct of its undertaking, exercising that degree of skill, diligence, prudence and foresight that would reasonably and ordinarily be expected from a skilled and experienced person complying with all applicable Laws, Directives, Industry Documents and Required Authorisations and engaged in the same type of undertaking under the same or similar circumstances and conditions;

"Reconciliation Amount(s)" means a CP Reconciliation Amount(s), an OP Reconciliation Amount(s) and/or a T&S Reconciliation Amount (as applicable);

"Reference CPI" means the most recently published CPI;

"Reference Price" means:

- (A) during the Initial Term, the Fixed Trajectory Reference Price; and
- (B) during the Extended Term, the Average Monthly Carbon Market Reference Price;

"Reference Rate Methodology" means the applicable methodology for setting reference rates which applies to or in the United Kingdom from time to time;

"[Registrant]" means [●]⁷⁸;

"Relief Event Billing Period" has the meaning given to that term in Condition 5 (*Definitions: Part 4*) of Part 4 (*Payment Calculations*);

⁷⁸ Note to Reader: This definition is to be kept under review.

"Relief Event Recalculation Amount" has the meaning given to that term in Condition 5 (*Definitions: Part 4*) of Part 4 (*Payment Calculations*);

"Relief Event Settlement Unit" has the meaning given to that term in Condition 5 (*Definitions: Part 4*) of Part 4 (*Payment Calculations*);

"Replacement Collateral Notice" has the meaning given to that term in Condition 39.3 (*Notification of collateral requirement*);

"Replacement Collateral Repayment Date" means, in circumstances in which any Payment Failure occurs after the date of a Collateral Posting Notice but before the Initial Collateral Repayment Date specified in such notice, the date falling twelve (12) Months after the last day of the NPA Payment Cure Period applicable to the Emitter Net Payable Amount to which such Payment Failure relates;

"Reporting Obligations Audit Notice" has the meaning given to that term in Condition 3.18 (*Reporting Obligations Audit Right*);

"Reporting Obligations Audit Right" has the meaning given to that term in Condition 3.17 (*Reporting Obligations Audit Right*);

"Representatives" means:

- (A) in respect of the ICC Contract Counterparty:
 - (i) its directors, officials, officers, employees, agents, consultants and advisers; and
 - (ii) the ICC Contract Settlement Services Provider and its directors, officers, employees, agents, consultants and advisers;
- (B) in respect of the Emitter:
 - (i) its directors, officers or employees;
 - (ii) any of its Contractors, agents, consultants and advisers which are engaged in connection with the Project, the ICC Contract or any other ICC Document; and
 - (iii) the directors, officers, employees, agents, consultants and advisers of any of its Contractors which are engaged in connection with the Project, the ICC Contract or any other ICC Document;
- (C) in respect of any Government Entity, its directors, officials, officers, employees, agents, consultants and advisers; or
- (D) in respect of any other person, its directors, officers, officials, employees, agents, consultants and advisers;

"Request for Information" means:

- (A) a request for information (as such term is defined in section 8 of the FoIA);
- (B) a request that environmental information (as such term is defined in the EIR) be made available pursuant to the EIR; or
- (C) any apparent request for information under the FoIA or the EIR;

"Requested Extension Supporting Information" has the meaning given to that term in Condition 2.3(B)(iii) (*Extension*);

"Requested Milestone Supporting Information" has the meaning given to that term in Condition 4.3(B) (*Milestone Requirement Notice*);

"Required Authorisation" means, in relation to each Party and at any time, each authorisation, licence, accreditation, permit, consent, certificate, resolution, clearance, exemption, order confirmation, permission or other approval of or from any Competent Authority required at such time to enable the relevant Party to perform and comply with its obligations under the ICC Contract, the other ICC Documents, the Grant Funding Agreement and, in the case of the Emitter, for the Project;

"Required CiAL Amendment" means any such amendment or supplement to the ICC Contract which is, as a direct result of a Change in Applicable Law being implemented, occurring or becoming effective, necessary to ensure that the Required CiAL Amendment Objectives are met (provided that any such amendment or supplement shall not affect either: (i) the commercial intent of the ICC Contract; or (ii) the overall balance of risk, rights and obligations between the Parties, in each case as provided for in the ICC Contract);

"Required CiAL Amendment Objectives" means that: (i) the ICC Contract continues in force; and (ii) no provision of the ICC Contract is rendered illegal, invalid, unenforceable or inoperable;

"Reserve Account" means a bank account in the United Kingdom specified by the ICC Contract Counterparty in a Collateral Posting Notice and to which Acceptable Collateral (in the form of cash) is to be transferred;

"Resolution Period" has the meaning given to that term in Condition 42.1(A) (*Resolution by Senior Representatives*);

"Respondent" has the meaning given to that term in Condition 43.3 (*Expert Determination Procedure*);

"Response Submission" has the meaning given to that term in Condition 43.6(C) (*Expert Determination Procedure*);

"Revised CO₂ Metering Data" has the meaning given to that term in Condition 21.1(C)(ii) (*Notification of Metering Data*);

"Revised Emitter QCiL Information" has the meaning given to that term in Condition 26.10(B) (*Emitter QCiL Notice*);

"Revised Emitter QCiL Response Information" has the meaning given to that term in Condition 26.5(B) (*Emitter QCiL Response Notice*);

"Revised Emitter QCiL True-Up Information" has the meaning given to that term in Condition 26.10(B) (*Emitter QCiL True-Up Notice*);

"Revised Emitter QCiL True-Up Response Information" has the meaning given to that term in Condition 29.5(B) (*Emitter QCiL True-Up Response Notice*);

"Revised Full Capture Outage Event Notification" has the meaning given to that term in Condition 22.1(D)(ii) (*Notification of Full Capture Outage Events*);

"Season" means a period of six (6) consecutive Months commencing on either 01 April or 01 October;

"Second Payment Failure Notice" has the meaning given to that term in Condition 39.1 (*Notification of collateral requirement*);

"Secretary of State" means the Secretary of State for Business, Energy and Industrial Strategy, acting in that capacity, unless otherwise expressly stated or the context otherwise requires;

"Senior Representative" means a senior employee or officer selected by a Party to represent it in relation to Condition 42 (*Resolution by Senior Representatives*);

"Senior Representatives Settlement" has the meaning given to that term in Condition 42.1(A) (*Resolution by Senior Representatives*);

"Service Agent" has the meaning given to that term in the ICC Agreement (but only if Condition 71 (*Agent for service of process*) is expressed to apply to the ICC Contract in the ICC Agreement);

"Service Document" means a claim form, application notice, order, judgment or other document relating to any Proceedings;

"Settlement Unit" means each day occurring during the Term after the Start Date, starting at 00:00 and ending at 23:59 on the same day;

"Specific Change in Law" means a Change in Law the terms of which specifically (and not merely indirectly or consequentially or by virtue of the disproportionate effect of any Change in Law that is of general application) apply to:

- (A) industrial installations which deploy CO₂ Capture Technology, or CO₂ Capture Technology forming part of such industrial installations, and not to other industrial installations, or the production from, or production related and associated processes carried out at, other industrial installations; or
- (B) the holding of shares in companies, the membership of partnerships, limited partnerships or limited liability partnerships, the participation in joint ventures (whether or not incorporated) or the holding of any other economic interest, including by way of debt, in each case whether directly or indirectly, in any undertaking whose main business is the development, construction, operation and maintenance of industrial installations referred to in paragraph (A) above and not to other industrial installations;

"Specified Expiry Date" has the meaning given to that term in the ICC Agreement;

"Standard and Poor's" means Standard & Poor's Ratings Service, a division of the McGraw-Hill Companies, Inc., and any successor thereto;

"Start Date" has the meaning given to that term in Condition 3.23 (*Notification of Start Date*);

"Start Date Notice" has the meaning given to that term in Condition 3.22 (*Notification of Start Date*);

"Strike Price" means the Initial Strike Price, as may be amended from time to time in accordance with the ICC Contract;

"Strike Price Adjustment" means any adjustment to the Strike Price effected pursuant to and in accordance with the ICC Contract, including: (i) a QCiL Strike Price Adjustment; (ii) a QCiL True-Up Strike Price Adjustment; (iii) an OP Indexation Adjustment; (iv) an Opex Costs Early Reopener Adjustment; or (v) an OP Mitigation Adjustment;

"Strike Price Adjustment Calculation Period" means, in respect of any calendar year, the period from the date the CPI for January in the relevant calendar year is published (or, where the Reference CPI is used, the fifth (5th) Business Day prior to the end of March in the relevant calendar year) to and including the first (1st) day of the Summer Season in that calendar year;

"Subsidy" shall have the meaning given to the term "subsidy" in the Subsidy Control Act [2022] and, for the purposes of the ICC Contract, shall exclude [UK ETS Allowances that have been or are allocated free of charge to UK ETS participants by the relevant Competent Authority under Part 4A of The Greenhouse Gas Emissions Trading Scheme Order 2020];⁷⁹

"Subsidy Control Competent Authority" has the meaning given to that term in the definition of Subsidy Control Rules;

"Subsidy Control Declaration Date" means the date the Emitter submits an OCP Notice in respect of the Subsidy Control Declaration Operational CP or, where the ICC Contract Counterparty subsequently agrees to waive the Subsidy Control Declaration Operational CP in accordance with Condition 3.39, the date the Emitter requests a waiver of the Subsidy Control Declaration Operational CP;

"Subsidy Control Declaration Operational CP" means the Operational Condition Precedent set out in paragraph 4 of Part B of Annex 1 (*Conditions Precedent*);

"Subsidy Control Rules" means: (i) any subsidy control provisions in Law or having legally binding effect in the United Kingdom; and (ii) any relevant decisions or judgments of any UK Competent Authority having jurisdiction in the United Kingdom to enforce or administer such subsidy control provisions (a **"Subsidy Control Competent Authority"**);

"Subsidy Interest Rate" has the meaning given to that term in Condition 25.11(B) (*Subsidy Interest*);

"Summer Season" in any calendar year, means the Season commencing on 01 April in that year;

"Supply Chain Report" means a report prepared by the Emitter and submitted to the ICC Contract Counterparty pursuant to Condition 23.1 (*Supply Chain Report*), setting out the economic benefits and supply chains associated with the Project which will be substantially in the form attached at Annex 7 (*Form of Supply Chain Report*);

"Supply Chain Report Deadline" has the meaning given to that term in Condition 23.1 (*Supply Chain Report*);

"Supply Chain Report Fees" means the following amounts payable by the Emitter to the ICC Contract Counterparty pursuant to Condition 23.6 (*Payment of Supply Chain Report Fees*):

- (A) where the Emitter fails to submit a valid Supply Chain Report to the ICC Contract Counterparty by the date immediately following a Supply Chain Report Deadline, the sum of one thousand pounds sterling (£1,000);
- (B) where the Emitter fails to submit a valid Supply Chain Report to the ICC Contract Counterparty by the date which falls one (1) Month after the date of a Supply Chain Report Deadline, the sum of one thousand pounds sterling (£1,000);

⁷⁹ Note to Reader: Subject to further review by BEIS.

- (C) where the Emitter fails to submit a valid Supply Chain Report to the ICC Contract Counterparty by the date which falls two (2) Months after the date of a Supply Chain Report Deadline, the sum of one thousand pounds sterling (£1,000);
- (D) where the Emitter fails to submit a valid Supply Chain Report to the ICC Contract Counterparty by the date which falls three (3) Months after the date of a Supply Chain Report Deadline, of the sum of two thousand five hundred pounds sterling (£2,500); and
- (E) where the Emitter fails to submit a valid Supply Chain Report to the ICC Contract Counterparty by the date which falls four (4) Months after the date of a Supply Chain Report Deadline (and for each subsequent Month thereafter that the Emitter fails to submit a valid Supply Chain Report to the ICC Contract Counterparty), the sum of five thousand pounds sterling (£5,000);

"Supply Chain Report Response Notice" has the meaning given to that term in Condition 23.3 (*Supply Chain Report*);

"Supporting Information" means any and all calculations, confirmations, data, documentation, evidence (including experts' reports), explanations, information, measurements, readings, reports (including experts' reports), representations and statements (whether in written or documentary form);

"T&S Billing Period" means a Month, except that the first T&S Billing Period shall commence on the Start Date and end on the last day of the Month in which the ICC Contract Counterparty notifies the Emitter pursuant to the OCP Response Notice or Further OCP Response Notice (as relevant) that it has determined that all of the Operational Conditions Precedent have been satisfied or waived in accordance with Condition 3.28 (Waiver of Conditions Precedent and Default) and/or Condition 3.39 (*Waiver of Subsidy Control Declaration Operational CP*) (as applicable) and the last T&S Billing Period shall commence on the first day of the last Month of the Initial Term or the Extended Term (as applicable) and end on the last day of the Initial Term or the Extended Term (as applicable);

"T&S Billing Statement" has the meaning given to that term in Condition 10.15 (*Delivery of T&S Billing Statement*);

"T&S Capacity" means the lower of: (i) the Emitter's transport and storage CO₂ capacity reserved on the T&S Network in accordance with the [T&S Connection Agreement]; and (ii) the [Maximum T&S Capacity];⁸⁰

"T&S Capacity Fee" means the portion of any transport and storage capacity fee in respect of the T&S Capacity (*expressed in £*) payable in respect of each Settlement Unit (*i*) calculated in accordance with the following formula:⁸¹

$$TSCF_i = TSC \times TSCF_{CR,i}$$

where:

$$TSCF_i = \text{T\&S Capacity Fee (£) for the relevant Settlement Unit (i)}$$

⁸⁰ Note to Reader: This definition is subject to further review as the T&S charging and capacity booking methodology is developed. BEIS is also considering how the T&S Capacity will be capped for the purposes of the calculation of the T&S Capacity Fee.

⁸¹ Note to Reader: This definition is subject to change as the T&S charging and capacity booking methodology is developed.

TSC = T&S Capacity [(●)]⁸²

$TSCF_{CR}$ = T&S Capacity Fee Charging Rate [(●)]⁸³ for the relevant Settlement Unit (*i*)

"T&S Capacity Fee Charging Rate" means the transport and storage capacity fee charging rate (*expressed in [(●)]*) applicable to a T&S Billing Period as set out in the T&S Connection Agreement provided by the Emitter to the ICC Contract Counterparty from time to time;⁸⁴

"T&S Cessation Event" means the occurrence of any one of the following:

- (A) a notice of discontinuation is issued by the Secretary of State to the T&S Operator pursuant to a discontinuation agreement entered into between the T&S Operator and the Secretary of State;
- (B) the T&S Operator's licence to operate the T&S Network is: (i) revoked; and (ii) is not transferred to a substitute T&S Operator, such that the T&S Network ceases to operate or the Emitter is no longer able to connect to the T&S Network; or
- (C) a determination is made by the relevant Competent Authority that the Emitter's connection to the T&S network is no longer viable;⁸⁵

"T&S Code" means [(●)];⁸⁶

"T&S Commissioning Delay Event" means an event or circumstance that prevents or delays the development, construction, completion, and/or commissioning of the relevant T&S Network and as a result prevents or delays the Capture Plant from exporting captured CO₂ to the relevant T&S Network (except to the extent that such event or circumstance arises out of or in connection with an act, omission breach or default of the Emitter or its Representatives, including any breach by the Emitter or its Representatives of an Industry Document). This includes but is not limited to the failure of the relevant T&S Operator to carry out in a timely manner: (A) any connection works specified in the T&S Construction Agreement; or (B) any required works to the relevant T&S Network in order for the Capture Plant to export captured CO₂ to the relevant T&S Network;

"T&S Compensatory Interest" means the interest that is due and payable at the T&S Compensatory Interest Rate in accordance with Condition 10.20 (*Calculation of T&S Compensatory Interest Amount*);

"T&S Compensatory Interest Amount" has the meaning given to that term in Condition 10.20 (*Calculation of T&S Compensatory Interest Amount*);

"T&S Compensatory Interest Rate" has the meaning given to that term in Condition 10.20 (*Calculation of T&S Compensatory Interest Amount*);

"T&S Connection Agreement" means the agreement between the T&S Operator and the Emitter relating to the export of captured CO₂ to a T&S Network by the Emitter;

⁸² Note to Reader: The unit of the CO₂ reserved capacity is subject to further consideration by BEIS.

⁸³ Note to Reader: The unit of the CO₂ reserved capacity is subject to further consideration by BEIS.

⁸⁴ Note to Reader: This definition is subject to further review as the T&S business model develops.

⁸⁵ Note to Reader: This definition is subject to further review as the T&S business model develops.

⁸⁶ Note to Reader: This definition is subject to further review as the T&S business model develops.

"T&S Connection Confirmation CP" has the meaning given to that term in paragraph 2(F) of Part B of Annex 1 (*Conditions Precedent*);

"T&S Construction Agreement" means the agreement between the T&S Operator and the Emitter relating to the construction of infrastructure connecting the Capture Plant to a T&S Network at the CO₂ T&S Network Delivery Point(s);

"T&S Extension Condition" has the meaning given to that term in Condition 2.2 (*Extension*);

"T&S Fees" means the T&S Volumetric Fee, the T&S Capacity Fee, and the T&S Residual Fee;

"T&S Net Payable Amount" means in respect of a T&S Billing Period, the amount calculated in accordance with Condition 10.21 (*Calculation of T&S Net Payable Amount*);

"T&S Network" means a network including, but not limited to:

- (A) pipelines used for the transportation of CO₂ from one capture plant to a storage facility or to or from any CO₂ pipeline network;
- (B) routes used for the transportation of CO₂ from one capture plant to a storage facility or to or from any CO₂ pipeline network; and
- (C) storage facilities for the permanent storage of CO₂,

owned or operated by a T&S Operator within the United Kingdom;⁸⁷

"T&S Operator" means a licensed company operating and maintaining a T&S Network;

"T&S Outage Event" means an event or circumstance affecting a T&S Network (excluding a T&S Commissioning Delay Event or a T&S Cessation Event), that prevents the Installation from accessing the full entry capacity to the T&S Network that the Emitter has reserved under the T&S Connection Agreement for a period exceeding one (1) day;

"T&S Payment" means the payment calculated in accordance with Condition 8.16 (*T&S Payment*);

"T&S Prolonged Unavailability Event" has the meaning given to that term in Condition 35.8 (*Termination for T&S Prolonged Unavailability Event*);

"T&S Prolonged Unavailability Event Notice" has the meaning given to that term in Condition 35.8 (*Termination for T&S Prolonged Unavailability Event*);

"T&S Prolonged Unavailability Further Response Notice" has the meaning given to that term in Condition 35.12(B)(ii) (*Termination for T&S Prolonged Unavailability Event*);

"T&S Prolonged Unavailability Remediation Deadline" has the meaning given to that term in Condition 35.8 (*Termination for T&S Prolonged Unavailability Event*);

"T&S Prolonged Unavailability Response Notice" has the meaning given to that term in Condition 35.9 (*Termination for T&S Prolonged Unavailability Event*);

"T&S Prolonged Unavailability Review Notice" has the meaning given to that term in Condition 35.11 (*Termination for T&S Prolonged Unavailability Event*);

⁸⁷ Note to Reader: This definition is subject to further review as the T&S business model develops.

"T&S Prolonged Unavailability Termination Date" has the meaning given to that term in Condition 35.21 (*Termination for T&S Prolonged Unavailability Event*);

"T&S Prolonged Unavailability Termination Notice" has the meaning given to that term in Condition 35.21 (*Termination for failing to remedy a T&S Prolonged Unavailability Event*);

"T&S Reconciliation Amounts" has the meaning given to that term in Condition 10.19 (*Calculation of T&S Reconciliation Amounts*);

"T&S Reconciliation Billing Period" has the meaning given to that term in Condition 10.20 (*Calculation of T&S Reconciliation Amounts*);

"T&S Residual Fee" means the portion of any transport and storage residual charge(s) relevant to the T&S Size of Connection (*expressed in £*) payable in respect of each Settlement Unit (*i*) calculated in accordance with the following formula:⁸⁸

$$TSRF_i = TSSoC \times TSRF_{CR,i}$$

where:

| | | |
|---------------|---|--|
| $TSRF_i$ | = | T&S Residual Fee (£) for the relevant Settlement Unit (<i>i</i>) |
| $TSSoC$ | = | T&S Size of Connection [(●)] ⁸⁹ |
| $TSRF_{CR,i}$ | = | T&S Residual Fee Charging Rate [(●)] ⁹⁰ for the relevant Settlement Unit (<i>i</i>) |

"T&S Residual Fee Charging Rate" means the transport and storage residual fee charging rate (*expressed in [(●)]*) applicable to a T&S Billing Period as set out in the T&S Connection Agreement provided by the Emitter to the ICC Contract Counterparty from time to time;⁹¹

"T&S Size of Connection" means the lower of: (i) the Emitter's transport and storage CO₂ connection reserved on the relevant T&S Network in accordance with the [T&S Construction Agreement]; and (ii) the [Maximum T&S Size of Connection];⁹²

"T&S Termination Payment" means an amount (*expressed in pounds*) calculated in accordance with the formula set out in paragraph 1 of Part A (*Calculation of T&S Termination Payment*) of Annex 3 (*Calculation of Termination Payments*);

"T&S Termination Payment Notice" has the meaning given to that term in Condition 36.3(B) (*Consequences of T&S Prolonged Unavailability Event termination*);

"T&S Termination Response Notice" has the meaning given to that term in Condition 35.22 (*Termination for failing to remedy a T&S Prolonged Unavailability Event*);

⁸⁸ Note to Reader: The calculation of T&S fees is subject to further review by BEIS as the T&S business model develops.

⁸⁹ Note to Reader: The unit of the CO₂ reserved capacity is subject to further consideration by BEIS.

⁹⁰ Note to Reader: The unit of the CO₂ reserved capacity is subject to further consideration by BEIS.

⁹¹ Note to Reader: This definition is subject to further review as the T&S business model develops.

⁹² Note to Reader: This definition is subject to further review as the T&S business model develops including how the T&S Capacity will be capped for the purposes of the calculation of the T&S Capacity Fee.

"T&S Volumetric Fee" means the volumetric transport and storage charge(s) in respect of the Installation (*expressed in £*) for each Settlement Unit (*i*) calculated in accordance with the following formula:⁹³

$$TSVF_i = TSVF_{CR,i} \times CO2_{out_T\&S,i}$$

where:

| | | |
|---------------------|---|---|
| $TSVF_i$ | = | T&S Volumetric Fee (£) for the relevant Settlement Unit (<i>i</i>) |
| $TSVF_{CR,i}$ | = | T&S Volumetric Fee Charging Rate (●) for the relevant Settlement Unit (<i>i</i>) |
| $CO2_{out_T\&S,i}$ | = | Metered CO ₂ Output to T&S (●) for the relevant Settlement Unit (<i>i</i>) |

"T&S Volumetric Fee Charging Rate" means any volumetric transmission and storage fee charging rate for captured CO₂ (*expressed in [●]*) payable in respect of a T&S Billing Period in accordance with the T&S Connection Agreement;⁹⁴

"Target Commissioning Date" has the meaning given to that term in the ICC Agreement;

"Target Commissioning Window" means the Initial Target Commissioning Window for the Installation as specified in the ICC Agreement, as such period may be extended day for day for each day of delay to the Project by reason of:

- (A) a Force Majeure in respect of which the Emitter is the FM Affected Party but only to the extent that the Emitter has satisfied the requirements and conditions of Condition 53 (*Force Majeure*) to be entitled to such extension; or
- (B) a T&S Commissioning Delay Event but only to the extent that the Emitter has satisfied the requirements of Conditions 3.36 to 3.38 (*Relief due to T&S Commissioning Delay Event*) to be entitled to such extension;

"Tax" means any taxes, levies, duties, imposts and any charges, deductions or withholdings in the nature of tax including taxes on gross or net Income, Profits or Gains and taxes on receipts, sales, use, occupation, development, franchise, employment, value added and personal property, together with any penalties, charges and interest relating to any of them;

"TCDE Deadline" has the meaning given to that term in Condition 3.30 (*T&S Connection Confirmation CP Relief*);

"TCDE Notice" has the meaning given to that term in Condition 3.30 (*T&S Connection Confirmation CP Relief*);

"TCDE Response Notice" has the meaning given to that term in Condition 3.32 (*T&S Connection Confirmation CP Relief*);

"TCDE Supporting Information" has the meaning given to that term in Condition 3.32(C) (*T&S Connection Confirmation CP Relief*);

"Technical Amendment" means any Proposed Amendment which is: (i) not a Material Amendment; or (ii) required to correct a manifest error;

⁹³ Note to Reader: This definition is subject to further review as the T&S business model develops.

⁹⁴ Note to Reader: This definition is subject to further review as the T&S business model develops.

"Technical Amendment Agreement" has the meaning given to that term in paragraph 2.10 of Annex 4 (*Change Control Procedure*);

"Technical Amendment Response Notification" has the meaning given to that term in paragraph 2.6(B)(ii) of Annex 4 (*Change Control Procedure*);

"Technical Amendment Response Period" has the meaning given to that term in paragraph 2.6 of Annex 4 (*Change Control Procedure*);

"Technical Compliance Termination Event" means an event as set out in Condition 19.9 (*Failure to remedy Metering Obligation breach*);

"Term" means the Initial Term and (where applicable) the Extended Term;

"Termination Event" has the meaning given to that term in Condition 37.1 (*Termination Events*);

"Third Party" has the meaning given to that term in Condition 67.1 (*Third party rights*);

"Third Party Provisions" has the meaning given to that term in Condition 67.1 (*Third party rights*);

"Total Annual FA Allocation" has the meaning given to that term in the ICC Agreement;

"Total Capex Payment" has the meaning given to that term in the ICC Agreement;

"Total Opex Costs Early Reopener Adjustment" has the meaning given to that term in Condition 5 (*Definitions: Part 4*) of Part 4 (*Payment Calculations*);

"Total Project Pre-Commissioning Costs" has the meaning given to that term in the ICC Agreement;

"Total Return Component" has the meaning given to that term in the ICC Agreement;

"Transfer" has the meaning given to that term in Condition 63.1 (*Restriction on Transfers*);

"Transferee" has the meaning given to that term in Condition 63.1 (*Restriction on Transfers*);

"Transferring Rights and Obligations" has the meaning given to that term in Condition 63.5(A) (*General provisions relating to permitted transfers*);

"Treaty" has the meaning given to that term in Article 2(1)(a) of the Vienna Convention on the law of treaties 1969;

"Tribunal" has the meaning given to that term in the FoIA;

"UK Allowance" has the meaning given to that term in paragraph 1 of Annex 6 (*Carbon Market Reference Price Review*);

"UK Competent Authority" means a Competent Authority of the United Kingdom;

"UK Emissions Trading Registry" has the meaning given to that term in paragraph 1 of Annex 6 (*Carbon Market Reference Price Review*);

"UK Emissions Trading Scheme" has the meaning given to that term in paragraph 1 of Annex 6 (*Carbon Market Reference Price Review*);

"UKA Futures December Contract" has the meaning given to that term in paragraph 1 of Annex 6 (*Carbon Market Reference Price Review*);

"UKA Futures December Contract Trading Price" has the meaning given to that term in paragraph 1 of Annex 6 (*Carbon Market Reference Price Review*);

"UKA Futures December Contract Trading Volume" has the meaning given to that term in paragraph 1 of Annex 6 (*Carbon Market Reference Price Review*);

"UKA Futures Index" has the meaning given to that term in paragraph 1 of Annex 6 (*Carbon Market Reference Price Review*);

"Union Funding" means any funding from European Union resources (regardless of whether such funding constitutes subsidy or State aid), including funding under the NER 300 and Horizon 2020 programmes;

"Working Hours" means 09:00 to 17:00 on a Business Day; and

"YCCM" or "Yearly Capex Cap Multiplier" has the meaning given to that term in the ICC Agreement.

Interpretation

1.2 Any reference in the ICC Contract to:

- (A) (save as provided in (C)) a Law, Directive or other similar enactment or instrument (each, an **"enactment"**) includes references to:
 - (i) that enactment as amended, supplemented or applied by or pursuant to any other enactment before, on or after the Agreement Date;
 - (ii) any enactment which re-enacts, restates or replaces (in each case with or without modification) that enactment; and
 - (iii) any subordinate legislation made (before, on or after the Agreement Date) pursuant to any enactment, including an enactment falling within Condition 1.2(A)(i) or 1.2(A)(ii);
- (B) an Industry Document includes references to such Industry Document as amended, supplemented, restated, novated or replaced from time to time,

except, in each case, for the purposes of Part 7 (*Changes in Law*) or where otherwise expressly specified; or

- (C) a specific European Union instrument shall not include any amendment, supplement, re-enactment, restatement or replacement of such European Union instrument that:
 - (i) is made by a Competent Authority of the European Union; and
 - (ii) is not required to be implemented by, and does not have effect in the United Kingdom by reason of, any Law or otherwise pursuant to an international agreement to which the United Kingdom is a signatory.

1.3 Unless otherwise expressly specified:

- (A) any reference in the ICC Contract, any other ICC Document or the Grant Funding Agreement (or in any certificate or other document made or delivered pursuant to the ICC Contract, any other ICC Document or the Grant Funding Agreement) to:
- (i) these Conditions shall be deemed to include the Annexes;
 - (ii) the ICC Agreement shall be deemed to include any schedules or annexes to the ICC Agreement;
 - (iii) a **"company"** shall be construed as including any corporation or other body corporate, wherever and however incorporated or established;
 - (iv) the expressions **"holding company"** and **"subsidiary"** shall have the meanings respectively ascribed to them by section 1159 of the Companies Act 2006, the expressions **"parent undertaking"** and **"subsidiary undertaking"** shall have the meanings respectively ascribed to them by section 1162 of the Companies Act 2006 and the expression **"associated undertaking"** shall have the meaning ascribed to it in Schedule 6 to The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2013 (but for this purpose ignoring paragraph 19(1)(b) of those regulations);
 - (v) a **"person"** shall be construed as including any individual, firm, company, unincorporated organisation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) or any other entity;
 - (vi) a person shall be construed as including its successors, permitted assignees and permitted transferees and, where a person ceases to exist, any other person to which some or all of its duties, functions, liabilities, obligations, powers or responsibilities may from time to time be transferred;
 - (vii) an **"agreement"** shall be construed as including any commitment or arrangement, whether legally binding or not, and references to being party to an agreement or having agreed to do anything shall be construed accordingly;
 - (viii) any agreement or document shall be construed as a reference to that agreement or document as amended, supplemented, restated, novated or replaced from time to time;
 - (ix) any English legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept or thing shall in respect of any jurisdiction other than England be treated as including what most nearly approximates in that jurisdiction to the English legal term;
 - (x) time shall be a reference to time in London, England;
 - (xi) words in the singular shall be interpreted as including the plural and vice versa;
 - (xii) in the definition of Qualifying Shutdown Event, the term EU law shall include any retained EU law other than as that body of law is added to or otherwise modified under the EU(W)A 2018 or other domestic law; and
 - (xiii) the expression **"retained EU law"** shall have the meaning given to that expression in the EU(W)A 2018.

- (B) in construing the ICC Contract, any other ICC Document or the Grant Funding Agreement (or any certificate or other document made or delivered pursuant to the ICC Contract, any other ICC Document or the Grant Funding Agreement):
 - (i) the rule of interpretation known as the *ejusdem generis* rule shall not apply and, accordingly, general words introduced by the word **"other"** shall not be given a restrictive meaning by reason of the fact that they are preceded by words indicating a particular class of acts, matters or things; and
 - (ii) general words shall not be given a restrictive meaning by reason of the fact that they are followed by particular examples intended to be embraced by the general words;
 - (C) any reference in these Conditions to a **"paragraph"**, **"Condition"**, **"Part"** or **"Annex"** is a reference to a paragraph, Condition or Part of, or Annex or Schedule to, these Conditions; and
 - (D) any reference in the ICC Agreement to a **"paragraph"**, **"Condition"**, **"Part"** or **"Annex"** is a reference to a paragraph or Condition of, or Annex or Schedule to, the ICC Agreement.
- 1.4 These Conditions form part of the ICC Contract and shall have the same force and effect as if expressly set out in the body of the ICC Contract, and any reference to the ICC Contract shall include the Annexes.
- 1.5 Headings and sub-headings used in the ICC Contract are for ease of reference only and shall not affect the interpretation of the ICC Contract.
- 1.6 If there is a conflict between:
- (A) the main body of these Conditions and any Annex, the main body of these Conditions shall prevail; or
 - (B) these Conditions and the ICC Agreement, the ICC Agreement shall prevail.
- 1.7 Condition 1.3(A)(vi) shall apply (without limitation) to any references in the ICC Contract to the Authority, the Economic Regulator, the Environment Agencies and the Secretary of State.

Symbols and currency

- 1.8 Any reference in these Conditions to **"£"** or **"pounds"** or **"Sterling"** is to the lawful currency of the United Kingdom.
- 1.9 Any reference in these Conditions to **"tCO₂"** is to tonnes of carbon dioxide and to **"tCO₂e"** is to tonnes of carbon dioxide equivalent.
- 1.10 Any value referenced in these Conditions as being expressed as a percentage (%) is to be expressed as a decimal fraction for the purposes of any calculations.

No interest in the Installation

- 1.11 Nothing in the ICC Contract is intended to create, or shall create, a legal or beneficial interest in the Installation or the Project in favour of any person other than the Emitter.

Part 2

Term

2. TERM

Term and duration

2.1

(A)

- (i) Subject to Condition 3 (*Conditions Precedent*), the provisions of, and the rights and obligations of the Parties under, the ICC Contract shall become effective and binding on the Agreement Date; and
- (ii) (except in circumstances in which the ICC Contract is terminated pursuant to Conditions 35.1 (*Pre-Start Date Termination*), 35.5 (*Termination for Prolonged Force Majeure*), 35.21 (*Termination for failing to remedy a T&S Prolonged Unavailability Event*), 35.26 (*Default Termination*), 35.28 (*Qualifying Change in Law Termination*) or 35.30 (*QCIL Compensation termination*)), the ICC Contract shall continue in full force and effect until the Specified Expiry Date,

(such period being the "**Initial Term**").

- (B) The provisions set out in Condition 7 (*Capex Payment*) shall continue until the expiry of the Capex Payment Period.
- (C) The provisions set out in Condition 8 (*Opex Payment*) shall continue until the expiry of the Opex Payment Period.

Extension

2.2 At any time during the relevant Extension Delivery Window, the Emitter may (but shall not be obliged to) deliver to the ICC Contract Counterparty a Directors' Certificate (the "**Extension Request Certificate**") certifying that the Installation remains connected to a T&S Network in accordance with the T&S Operator's compliance requirements [as set out in the T&S Connection Agreement]⁹⁵ (the "**T&S Extension Condition**") together with relevant Supporting Information in a form and content reasonably satisfactory to the ICC Contract Counterparty.

2.3 The ICC Contract Counterparty shall, no earlier than the relevant Extension Delivery Date and no later than the date which falls [thirty (30)]⁹⁶ Business Days after the relevant Extension Delivery Date, give a notice to the Emitter (an "**Extension Response Notice**"). An Extension Response Notice:

(A) shall specify whether:

- (i) the Average Annual Carbon Market Reference Price has exceeded the Average Annual Aggregate Opex and T&S Value [plus any revenue from the sale of negative emissions credits]⁹⁷ in the Contract Payment Term Year immediately preceding the relevant Extension Delivery Date;

⁹⁵ Note to Reader: This Condition is subject to further review as the T&S business model develops.

⁹⁶ Note to Reader: This period may be extended depending on the way in which negative emissions credit revenue is factored into the calculation of the Average Annual Aggregate Opex and T&S Value.

⁹⁷ Note to Reader: BEIS is considering how negative emissions credit revenue will be factored into these calculations.

- (ii) the Average Achieved CO₂ Capture Rate for the five (5) immediately preceding full Contract Payment Term Years is equal to or greater than the Extension Required CO₂ Capture Rate; and
- (iii) the Metered CO₂ Output to T&S for the five (5) immediately preceding full Contract Payment Term Years is equal to or greater than ninety per cent. (90%) of the Metered CO₂ Output to T&S Estimate;

(each an **"Extension Condition"** and together with the T&S Extension Condition, the **"Extension Conditions"**); and

(B) shall specify whether the ICC Contract Counterparty considers that:

- (i) the Extension Conditions have been fulfilled;
- (ii) the Extension Conditions have not been fulfilled; or
- (iii) it has not been provided with sufficient Supporting Information to determine whether the Extension Conditions have been fulfilled and, if so, details of the additional Supporting Information which the ICC Contract Counterparty requires to determine whether the Extension Conditions have been fulfilled (the **"Requested Extension Supporting Information"**).

2.4 If the ICC Contract Counterparty states in an Extension Response Notice that:

- (A) the Extension Conditions have been fulfilled, then the Extension Conditions will be deemed to have been fulfilled for the purposes of the ICC Contract;
- (B) the Extension Conditions have not been fulfilled, then the Extension Conditions will be deemed not to have been fulfilled for the purposes of the ICC Contract unless and until a resolution or determination to the contrary is made pursuant to the Dispute Resolution Procedure; or
- (C) the Emitter has not provided the ICC Contract Counterparty with sufficient Supporting Information to determine whether the Extension Conditions have been fulfilled:
 - (i) the Emitter shall provide the Requested Extension Supporting Information as soon as reasonably practicable, and in any event no later than ten (10) Business Days following receipt of an Extension Response Notice, or such longer period as is specified by the ICC Contract Counterparty in writing; and
 - (ii) upon receipt of the Requested Extension Supporting Information, the ICC Contract Counterparty shall as soon as reasonably practicable, and in any event no later than twenty (20) Business Days after receipt of such Requested Extension Supporting Information, give a further Extension Response Notice to the Emitter (a **"Further Extension Response Notice"**). A Further Extension Response Notice shall specify whether the ICC Contract Counterparty considers that the Extension Conditions have or have not been fulfilled.

2.5 If the ICC Contract Counterparty notifies the Emitter under Condition 2.3 or Condition 2.4(C)(ii) (or it is determined in accordance with the Dispute Resolution Procedure) that the Extension Conditions have been fulfilled, the Term shall be extended for an additional one (1) Contract Payment Term Year provided that the Term shall not be extended by more than five (5) Contract Payment Term Years in aggregate.

2.6 Nothing in Conditions 2.2 to 2.5 (*Extension*) shall require the ICC Contract Counterparty to specify in any Extension Response Notice or Further Extension Response Notice that the

Extension Conditions have been fulfilled, unless and until the ICC Contract Counterparty is satisfied of the same.

Consequences of expiry

- 2.7 Subject to Condition 2.8, if the Emitter fails or is unable to deliver a valid Extension Request Certificate to the ICC Contract Counterparty in accordance with Condition 2.2 and/or the Extension Conditions have been deemed not to have been fulfilled pursuant to Condition 2.3(B) or 2.4(C)(ii): (i) the ICC Contract shall expire automatically on the Expiry Date; and (ii) upon expiry of the ICC Contract:
- (A) no termination payment shall be payable by either Party to the other Party;
 - (B) all rights and obligations of the Parties under the ICC Contract shall end; and
 - (C) neither Party shall be entitled to make any claim against the other Party pursuant to the ICC Contract.
- 2.8 Expiry of the ICC Contract:
- (A) shall not affect, and shall be without prejudice to, accrued rights and liabilities and rights and liabilities arising as a result of:
 - (i) any antecedent breach of any provision of the ICC Contract; and
 - (ii) any breach of any provisions of the ICC Contract which are expressed to survive expiry pursuant to Condition 38 (*Survival*); and
 - (B) shall be subject to Condition 38 (*Survival*).

Part 3

Conditions Precedent and Milestone Requirement

3. CONDITIONS PRECEDENT

Provisions effective and binding from Agreement Date

- 3.1 The provisions of, and the rights and obligations of the Parties pursuant to, the Agreement Date Provisions shall become effective and binding on the Agreement Date.

Initial Conditions Precedent

- 3.2 The provisions of, and the rights and obligations of the Parties pursuant to, the Initial CP Provisions are conditional upon the Initial Conditions Precedent being:
- (A) fulfilled by the Emitter; or
 - (B) waived by the ICC Contract Counterparty in accordance with Condition 3.28 (*Waiver of Conditions Precedent and Default*).
- 3.3 The Emitter shall use reasonable endeavours to fulfil or procure the fulfilment of the Initial Conditions Precedent as soon as reasonably practicable, and in any event no later than twenty (20) Business Days after the Agreement Date.
- 3.4 The ICC Contract Counterparty shall notify the Emitter as soon as reasonably practicable after the ICC Contract Counterparty considers that the Initial Conditions Precedent have been fulfilled or after the ICC Contract Counterparty has decided to waive such conditions in accordance with Condition 3.28 (*Waiver of Conditions Precedent and Default*).

Operational Conditions Precedent

- 3.5 The provisions of, and the rights and obligations of the Parties pursuant to, the Operational CP Provisions are conditional upon the Initial Conditions Precedent and the Operational Conditions Precedent being:
- (A) fulfilled by the Emitter; or
 - (B) waived by the ICC Contract Counterparty in accordance with Conditions 3.28 (*Waiver of Conditions Precedent and Default*) and/or 3.39 (*Waiver of Subsidy Control Declaration Operational CP*).
- 3.6 The Emitter shall use reasonable endeavours to fulfil or procure the fulfilment of the Operational Conditions Precedent (save for the Subsidy Control Declaration Operational CP) as soon as reasonably practicable, and in any event before the Longstop Date. The Emitter shall use reasonable endeavours to fulfil or procure the fulfilment of the Subsidy Control Declaration Operational CP before the Longstop Date.

Operational Conditions Precedent: General Reporting Obligations

- 3.7 The Emitter shall keep the ICC Contract Counterparty reasonably informed as to progress towards fulfilment of the Operational Conditions Precedent and in particular (but without limitation) shall:
- (A) provide the ICC Contract Counterparty with reports (in form and content reasonably satisfactory to the ICC Contract Counterparty and in accordance with the reasonable requirements of the ICC Contract Counterparty as to the timing and frequency of such

reports) of the progress made in or towards fulfilment of the Operational Conditions Precedent; and

- (B) give the ICC Contract Counterparty a notice each time the Emitter considers an Operational Condition Precedent has been fulfilled (an "**OCP Notice**"). Each OCP Notice shall:
 - (i) identify the Operational Condition Precedent which the Emitter considers to have been fulfilled; and
 - (ii) include such Supporting Information as the Emitter considers to be relevant to evidence the fulfilment of the relevant Operational Condition Precedent.
- 3.8 Each OCP Notice shall be accompanied by a Directors' Certificate in relation to the information contained in, and enclosed with, the OCP Notice.
- 3.9 The ICC Contract Counterparty shall, no later than ten (10) Business Days after receipt of an OCP Notice, give a notice to the Emitter (an "**OCP Response Notice**"). An OCP Response Notice shall specify whether the ICC Contract Counterparty considers that:
- (A) the Emitter has or has not fulfilled the Operational Condition Precedent to which the OCP Notice relates; or
 - (B) it has not been provided with sufficient Supporting Information to determine whether the Emitter has fulfilled the Operational Condition Precedent to which the OCP Notice relates and, if so, details of the additional Supporting Information which the ICC Contract Counterparty requires to determine whether the Emitter has fulfilled the Operational Condition Precedent (the "**OCP Supporting Information**").
- 3.10 If the ICC Contract Counterparty states in the OCP Response Notice that:
- (A) the Emitter has fulfilled the Operational Condition Precedent, then the Operational Condition Precedent will be deemed to have been fulfilled for the purposes of the ICC Contract;
 - (B) the Emitter has not fulfilled the Operational Condition Precedent, then the Operational Condition Precedent will be deemed not to have been fulfilled for the purposes of the ICC Contract unless and until a resolution or determination to the contrary is made pursuant to the Dispute Resolution Procedure; or
 - (C) the Emitter has not provided the ICC Contract Counterparty with sufficient Supporting Information to determine whether the Emitter has fulfilled the Operational Condition Precedent:
 - (i) the Emitter shall provide the OCP Supporting Information as soon as reasonably practicable, and in any event no later than ten (10) Business Days after receipt of the OCP Response Notice, or such longer period as is specified by the ICC Contract Counterparty; and
 - (ii) upon receipt of the OCP Supporting Information, the ICC Contract Counterparty shall as soon as reasonably practicable, and in any event no later than ten (10) Business Days after receipt of such OCP Supporting Information, give a further OCP Response Notice to the Emitter (a "**Further OCP Response Notice**"). A Further OCP Response Notice shall specify whether the ICC Contract Counterparty considers that the Emitter has or has not fulfilled the Operational Condition Precedent.

3.11 The Emitter shall give the ICC Contract Counterparty a notice promptly upon the Emitter becoming aware:

- (A) of any fact, matter or circumstance which will or is reasonably likely to prevent any of the Operational Conditions Precedent from being fulfilled by the Longstop Date; or
- (B) that any of the Operational Conditions Precedent which had previously been notified to the ICC Contract Counterparty as fulfilled pursuant to Condition 3.7(B) is no longer fulfilled at any time prior to the Start Date,

(any such notice, an "**OCP Non-Compliance Notice**" and the Operational Condition Precedent referenced in such notice, an "**Affected Operational CP**"). Each such OCP Non-Compliance Notice shall:

- (i) identify the Affected Operational CP;
- (ii) specify the reasons why the Affected Operational CP:
 - (a) will, or is reasonably likely, not to be fulfilled; or
 - (b) is no longer fulfilled;
- (iii) include such Supporting Information as the Emitter considers to be relevant to the content of the OCP Non-Compliance Notice; and
- (iv) include details of any remedial action that the Emitter is taking or proposes to take,

provided that no OCP Non-Compliance Notice need be given by the Emitter to the ICC Contract Counterparty if the Affected Operational CP has been waived by the ICC Contract Counterparty in accordance with Conditions 3.28 (*Waiver of Conditions Precedent and Default*) and/or 3.39 (*Waiver of Subsidy Control Declaration Operational CP*).

3.12 Each OCP Non-Compliance Notice shall be accompanied by a Directors' Certificate in relation to the information contained in, and enclosed with, the OCP Non-Compliance Notice.

3.13 Nothing in this Condition 3 (*Conditions Precedent and Milestone Requirement*) shall require the ICC Contract Counterparty to specify in any OCP Response Notice or Further OCP Response Notice that the ICC Contract Counterparty accepts that an Operational Condition Precedent has been fulfilled unless the ICC Contract Counterparty is satisfied of the same.

Operational Conditions Precedent: Construction Reporting Requirements

3.14 The Emitter shall keep the ICC Contract Counterparty fully informed as to the progress in relation to the Pre-Operation Activities from the Agreement Date until the Start Date and in particular (but without limitation) shall, on or prior to every 1 February, 1 May, 1 September and 1 November that fall within such period (or, if such date is a day other than a Business Day, on the next Business Day after that date):

- (A) provide the ICC Contract Counterparty with reports (in a form and content reasonably satisfactory to the ICC Contract Counterparty) detailing the progress in relation to the Pre-Operation Activities. As a minimum, each report shall satisfy the Minimum Reporting Content Requirements; and
- (B) provide the ICC Contract Counterparty with any Supporting Information provided to the Emitter's board of Directors (or an equivalent body or committee, as applicable) relating to the matters referred to in Condition 3.14(A)

- 3.15 The Emitter shall notify the ICC Contract Counterparty in writing (a **"Project Delay Notice"**), together with Supporting Information, promptly upon the Emitter becoming aware of any fact, matter or circumstance which will or is reasonably likely to delay any Pre-Operation Activity, with such notice to include:
- (A) details of the relevant fact, matter or circumstance;
 - (B) any remedial action that the Emitter is taking or proposes to take in relation to such fact, matter or circumstance;
 - (C) a revised Project timetable (by reference to the Target Commissioning Date, the Target Commissioning Window and the Longstop Date); and
 - (D) the estimated additional costs to the Project arising as a result of such fact, matter or circumstance.
- 3.16 Each Project Delay Notice shall be accompanied by a Directors' Certificate in relation to the information contained in, and enclosed with, the Project Delay Notice.

Reporting Obligations Audit Right

- 3.17 With effect from the Agreement Date and until the date which falls thirty (30) calendar days after the Start Date, the Emitter shall grant the ICC Contract Counterparty (and any and all persons nominated by the ICC Contract Counterparty which the ICC Contract Counterparty considers to be suitably qualified, including the Auditors) access in accordance with Conditions 3.18 to 3.20 to:
- (A) (i) the Installation; and (ii) any plant, machinery, property, processing or storage facility associated with the Installation, in each case owned, occupied or controlled by the Emitter and to which the Emitter can lawfully grant access; and
 - (B) the Emitter's personnel, systems, books, records and any other information,
- in each case as the ICC Contract Counterparty considers reasonably necessary for the ICC Contract Counterparty to assess the Emitter's compliance with Conditions 3.7 to 3.16 (the **"Reporting Obligations Audit Right"**).
- 3.18 If the ICC Contract Counterparty intends to exercise its Reporting Obligations Audit Right, it shall give written notice to the Emitter (a **"Reporting Obligations Audit Notice"**). A Reporting Obligations Audit Notice shall:
- (A) specify that the ICC Contract Counterparty (or any suitably qualified persons nominated by it under Condition 3.17) intends to exercise the Reporting Obligations Audit Right; and
 - (B) specify a date and time during regular office hours by which the Emitter must, in accordance with Condition 3.17, permit the exercise of the Reporting Obligations Audit Right.
- 3.19 On receipt of the Reporting Obligations Audit Notice, the Emitter shall permit the ICC Contract Counterparty to exercise the Reporting Obligations Audit Right at such time as the ICC Contract Counterparty may nominate provided that it is no earlier than one (1) Business Day after the Emitter's receipt of the Reporting Obligations Audit Notice.
- 3.20 The Emitter shall cooperate and provide, and shall procure that any Representative cooperates and provides, all required access, assistance and information to enable the ICC Contract Counterparty to exercise its Reporting Obligations Audit Right.

- 3.21 The Emitter shall reimburse the ICC Contract Counterparty for all out-of-pocket costs, expenses and fees incurred by the ICC Contract Counterparty arising out of or in connection with exercising the Reporting Obligations Audit Right.

Notification of Start Date

- 3.22 The Emitter shall after giving the OCP Notice relating to the fulfilment of the final Operational Condition Precedent, and in any event no later than ten (10) Business Days after the OCP Response Notice or the Further OCP Response Notice confirming that the ICC Contract Counterparty considers such Operational Condition Precedent to have been fulfilled is received, give a notice to the ICC Contract Counterparty (a **"Start Date Notice"**).
- 3.23 A Start Date Notice shall specify the date that the Emitter proposes to be the Start Date for the purposes of the ICC Contract, such date being:
- (A) no earlier than the date on which the OCP Notice relating to the fulfilment of the final Operational Condition Precedent was given;
 - (B) no earlier than the first (1st) day of the Target Commissioning Window;
 - (C) no later than the Longstop Date; and
 - (D) no earlier than the date of the Start Date Notice,
- (the date so notified being, subject to Condition 3.26, the **"Start Date"**).
- 3.24 Each Start Date Notice shall be accompanied by a Directors' Certificate in relation to the Information specified in Condition 3.26(C).
- 3.25 On the Start Date (unless the date of the Start Date Notice is the same as the Start Date), the Emitter shall deliver to the ICC Contract Counterparty a Directors' Certificate in relation to the Information specified in Condition 3.26(C).
- 3.26 A Start Date Notice shall be effective in determining the Start Date only if:
- (A) the Emitter complies with its obligations pursuant to Conditions 3.24 and 3.25;
 - (B) the ICC Contract Counterparty specifies in an OCP Response Notice or a Further OCP Response Notice (as relevant) that it has determined that all of the Operational Conditions Precedent have been satisfied or waived in accordance with Conditions 3.28 or 3.39; and
 - (C) on the date such Start Date Notice is given and on the proposed Start Date specified in the Start Date Notice:
 - (i) the Emitter Repeating Representations are true, accurate and not misleading by reference to the facts and circumstances then existing;
 - (ii) the representations set out in Conditions 16.1(G), 16.1(H) and 16.2 are true, accurate and not misleading by reference to the facts and circumstances then existing;
 - (iii) no Default has occurred which is continuing unremedied and which has not been waived by the ICC Contract Counterparty in accordance with Condition 3.28; and

- (iv) all Conditions Precedent (except those waived by the ICC Contract Counterparty in accordance with Conditions 3.28 and/or 3.39) continue to be fulfilled.

3.27 If the Emitter gives a Start Date Notice to the ICC Contract Counterparty and such notice is, pursuant to Condition 3.26, ineffective, this shall not, subject to Part 8 (*Termination*), preclude the Emitter from giving a further Start Date Notice to the ICC Contract Counterparty. Conditions 3.22 to 3.26 (inclusive) shall apply, with the necessary modifications, to any such further Start Date Notice.

Waiver of Conditions Precedent and Default

3.28 Subject to Condition 3.39, the ICC Contract Counterparty may agree by notice to the Emitter to waive:

- (A) the fulfilment of any of the Conditions Precedent; and
- (B) any Default which is continuing unremedied and which would otherwise prevent the Start Date Notice from being effective in determining the Start Date.

3.29 Conditions 49 (*No waiver*) and 50 (*Consents*) shall apply to any waiver given by the ICC Contract Counterparty pursuant to Conditions 3.28 and 3.39.

T&S Connection Confirmation CP Relief

3.30 The Emitter may, if it considers that a T&S Commissioning Delay Event has occurred and is still continuing, give a notice to the ICC Contract Counterparty (a **"TCDE Notice"**). A TCDE Notice must be given to the ICC Contract Counterparty no later than the Longstop Date (the **"TCDE Deadline"**) and shall:

- (A) specify the Emitter's request for an extension to one (1) or more of the Milestone Delivery Date, the Target Commissioning Window and/or the Longstop Date, for any delay to the Project if and to the extent that such delay is directly attributable to the occurrence and continuation of such T&S Commissioning Delay Event; and
- (B) include such Supporting Information as the Emitter considers to be relevant to evidence the occurrence and continuation of a T&S Commissioning Delay Event.

3.31 Each TCDE Notice shall be accompanied by a Directors' Certificate in relation to the information contained in, and enclosed with, the TCDE Notice.

3.32 The ICC Contract Counterparty shall, no later than twenty (20) Business Days after receipt of a TCDE Notice, give a notice to the Emitter (a **"TCDE Response Notice"**). A TCDE Response Notice shall specify whether the ICC Contract Counterparty considers that:

- (A) a T&S Commissioning Delay Event has or has not occurred; and
- (B) a T&S Commissioning Delay Event is or is not still continuing; or
- (C) it has not been provided with sufficient Supporting Information to determine whether:
 - (i) a T&S Commissioning Delay Event has occurred; and/or
 - (ii) a T&S Commissioning Delay Event is still continuing,

in which case the ICC Contract Counterparty shall provide details of the additional Supporting Information which the ICC Contract Counterparty requires to determine (as

relevant) whether a T&S Commissioning Delay Event has occurred and is still continuing (the **"TCDE Supporting Information"**).

- 3.33 If the ICC Contract Counterparty states in the TCDE Response Notice that it:
- (A) considers that a T&S Commissioning Delay Event has not occurred and/or is not still continuing, the Milestone Delivery Date, the Target Commissioning Window and/or the Longstop Date shall remain unadjusted for the purposes of the ICC Contract unless and until a resolution or determination to the contrary is made pursuant to the Dispute Resolution Procedure;
 - (B) considers that a T&S Commissioning Delay Event has occurred and is still continuing, then the TCDE Response Notice shall include a confirmation of the Emitter's entitlement to an extension to any of the Milestone Delivery Date, the Target Commissioning Window and/or the Longstop Date pursuant to Condition 3.36 (*Relief due to T&S Commissioning Delay Event*); or
 - (C) requires the Emitter to provide the TCDE Supporting Information:
 - (i) the Emitter shall provide the TCDE Supporting Information as soon as reasonably practicable, and in any event no later than ten (10) Business Days after receipt of the TCDE Response Notice, or such longer period as is specified by the ICC Contract Counterparty; and
 - (ii) upon receipt of the TCDE Supporting Information, the ICC Contract Counterparty shall, no later than ten (10) Business Days after receipt of such TCDE Supporting Information, give a further TCDE Response Notice to the Emitter (a **"Further TCDE Response Notice"**). A Further TCDE Response Notice shall contain one of the statements set out in Condition 3.33(A) or 3.33(B).
- 3.34 Nothing in Conditions 3.30 to 3.33 (*T&S Connection Confirmation CP Relief*) shall require the ICC Contract Counterparty to specify in any TCDE Response Notice or Further TCDE Response Notice that a T&S Commissioning Delay Event has occurred or is still continuing, unless and until the ICC Contract Counterparty is satisfied of the same.
- 3.35 Any TCDE Notice shall be irrevocable and any TCDE Notice received by the ICC Contract Counterparty after the TCDE Deadline shall be invalid and of no effect.

Relief due to T&S Commissioning Delay Event

- 3.36 Subject to Condition 3.37, the Emitter shall be entitled to an extension to one (1) or more of the Milestone Delivery Date, the Target Commissioning Window and/or the Longstop Date where it is agreed under Condition 3.33(B) or determined pursuant to the Dispute Resolution Procedure that any delay to the Project is directly attributable to the occurrence and continuation of a T&S Commissioning Delay Event.⁹⁸
- 3.37 The Emitter's entitlement to an extension to one (1) or more of the Milestone Delivery Date, the Target Commissioning Window and/or the Longstop Date pursuant to Condition 3.36 shall be subject to and conditional upon the Emitter using reasonable endeavours to:
- (A) mitigate the effects of the T&S Commissioning Delay Event (including the consequential delay to the Project);

⁹⁸ Note to Reader: Please refer to pages 49 to 50 of the April Update Document in relation to compensation during a T&S Commissioning Delay Event.

- (B) carry out its obligations under the ICC Contract and each other ICC Document in any way that is reasonably practicable; and
 - (C) resume the performance of its obligations under the ICC Contract and each other ICC Document as soon as reasonably practicable.
- 3.38 Nothing in Conditions 3.30 to 3.38 shall affect the ICC Contract Counterparty's right to terminate the ICC Contract pursuant to Condition 35.21 (*Termination for failing to remedy a T&S Prolonged Unavailability Event*).

Waiver of Subsidy Control Declaration Operational CP

- 3.39 The ICC Contract Counterparty shall agree by notice to the Emitter to waive the fulfilment of the Subsidy Control Declaration Operational CP if the Emitter evidences to the satisfaction of the ICC Contract Counterparty that the granter(s) of such Subsidy, State aid and/or Union Funding refuses or is unable to accept the repayment of the Subsidy, State aid and/or Union Funding (as adjusted for interest in accordance with Condition 25.11 (*Subsidy Interest*)), in full or in part. If the Emitter seeks a waiver of the Subsidy Control Declaration Operational CP, the Emitter shall:
- (A) provide the ICC Contract Counterparty with such Supporting Information as the Emitter considers to be relevant to evidence that the granter refuses or is unable to accept repayment, in accordance with this Condition 3.39; and
 - (B) provide the ICC Contract Counterparty with such additional Supporting Information as the ICC Contract Counterparty reasonably requires, as soon as reasonably practicable, and in any event no later than ten (10) Business Days following receipt of the ICC Contract Counterparty's request,
- in each case accompanied with a Directors' Certificate in respect of such Supporting Information.
- 3.40 If the ICC Contract Counterparty agrees to waive the Subsidy Control Declaration Operational CP in accordance with Condition 3.39:
- (A) the ICC Contract Counterparty shall also notify the Emitter of:
 - (i) the amount of Subsidy, State aid and/or Union Funding (as adjusted for interest in accordance with Condition 25.11 (*Subsidy Interest*)) which has not been repaid to the granter as at that date ("**Previous Subsidy**"); and
 - (ii) the Subsidy Interest Rate currently applicable;
 - (B) Condition 3.42 shall apply; and
 - (C) where the Subsidy Control Declaration Operational CP is the final Operational Condition Precedent to be fulfilled, for the purposes of Condition 3.22:
 - (i) the request for a waiver in accordance with Condition 3.39, including the Supporting Information and Directors' Certificate, shall be treated as the OCP Notice, and
 - (ii) the waiver shall be treated as the OCP Response Notice.
- 3.41 Nothing in this Condition 3 shall require the ICC Contract Counterparty to waive the Subsidy Control Declaration Operational CP, unless the ICC Contract Counterparty is satisfied that the requirements of Condition 3.39 have been met.

Set-Off of Previous Subsidy

- 3.42 The Previous Subsidy (as adjusted for interest in accordance with Condition 25.11 (*Subsidy Interest*)) shall be set off against any amounts payable to the Emitter under the ICC Contract, so that no payment shall be made to the Emitter until such amount has been set off in its entirety.
- 3.43 Where any provision of the ICC Contract would, but for this Condition 3.43, require:
- (A) the ICC Contract Counterparty to make any payment or otherwise do anything (including without limitation, the making of any adjustment payment under any Initial CP Provision) which would amount to the giving of Subsidy, no such payment or thing shall be required to be made or done unless and until the Subsidy Control Declaration Operational CP has been satisfied or waived; or
 - (B) any payment to be made by the ICC Contract Counterparty on a date falling prior to the satisfaction or waiver of the Subsidy Control Declaration Operational CP, such payment shall not fall due for payment until the date falling ten (10) Business Days following the satisfaction or waiver of the Subsidy Control Declaration Operational CP. No interest shall accrue in respect of any such payment.
- 3.44 Subject to Condition 3.45, not less than three (3) Months before the Emitter's intended Start Date, the Emitter shall give the ICC Contract Counterparty a written confirmation, in form and content satisfactory to the ICC Contract Counterparty (acting reasonably), of whether any Subsidy, State aid and/or Union Funding has been received by the Emitter or by any other person in relation to the costs of the Project, and, where applicable, details of all such Subsidy, State aid and/or Union Funding, accompanied by a Directors' Certificate in relation to the confirmation and the information accompanying it.
- 3.45 The Emitter is not required to give a confirmation to the ICC Contract Counterparty under Condition 3.44 if the Subsidy Control Declaration Operational CP has previously been fulfilled (or waived in accordance with Condition 3.39).

4. MILESTONE REQUIREMENT**Milestone Requirement Notice**

- 4.1 No later than the Milestone Delivery Date, the Emitter shall give a notice to the ICC Contract Counterparty (a "**Milestone Requirement Notice**") that the Emitter considers that it has complied with and fulfilled a Milestone Requirement. A Milestone Requirement Notice shall include either:
- (A) such invoices, payment receipts and other Supporting Information with respect to the Project as the Emitter considers relevant to evidence that it and its direct shareholders have in aggregate spent ten per cent. (10%) or more of the Total Project Pre-Commissioning Costs on the Project; or
 - (B) such Information as is specified, identified or listed as the Project Commitments and such Supporting Information as the Emitter considers relevant to evidence compliance with or fulfilment of the Project Commitments (and for this purpose, where the Project Commitments relate to Material Equipment, taking into consideration the need to demonstrate to the ICC Contract Counterparty's satisfaction that contracts, agreements and purchase orders relating to such Material Equipment constitute significant financial commitments that are real, genuine and made in good faith),
- (each, a "**Milestone Requirement**").

For the purposes of paragraph (A) above:

- (i) money spent by a direct shareholder of the Emitter to acquire an interest in the Emitter may be taken into account but only to the extent that the consideration paid for the acquisition exceeds the amount spent on the Project by the Emitter and its direct shareholders in the period prior to the time at which such acquisition took place; and
- (ii) money spent by the Emitter for the purpose of connecting the Installation to any relevant T&S Network may be taken into account, notwithstanding that assets comprised or to be comprised within any such T&S Network do not form part of the Installation.

4.2 A Milestone Requirement Notice shall be accompanied by a Directors' Certificate in relation to the information contained in, and enclosed with, the Milestone Requirement Notice.

4.3 The ICC Contract Counterparty shall, no later than twenty (20) Business Days after receipt of a Milestone Requirement Notice, give a notice to the Emitter (a **"Milestone Assessment Response Notice"**). A Milestone Assessment Response Notice shall specify whether the ICC Contract Counterparty considers that:

- (A) the Emitter has or has not complied with and fulfilled a Milestone Requirement; or
- (B) it has not been provided with sufficient Supporting Information to determine whether the Emitter has complied with and fulfilled a Milestone Requirement and, if so, details of the additional Supporting Information which the ICC Contract Counterparty requires to determine whether the Emitter has complied with and fulfilled a Milestone Requirement (the **"Requested Milestone Supporting Information"**).

4.4 If the ICC Contract Counterparty states in a Milestone Assessment Response Notice that:

- (A) the Emitter has complied with and fulfilled a Milestone Requirement, then the Milestone Requirement will be deemed to have been complied with and fulfilled for the purposes of the ICC Contract;
- (B) the Emitter has not complied with and fulfilled a Milestone Requirement, then the Milestone Requirement will be deemed not to have been complied with and fulfilled for the purposes of the ICC Contract unless and until a resolution or determination to the contrary is made pursuant to the Dispute Resolution Procedure; or
- (C) the Emitter has not provided the ICC Contract Counterparty with sufficient Supporting Information to determine whether the Emitter has complied with and fulfilled a Milestone Requirement:
 - (i) the Emitter shall provide the Requested Milestone Supporting Information as soon as reasonably practicable, and in any event no later than ten (10) Business Days after receipt of a Milestone Assessment Response Notice, or such longer period as is specified by the ICC Contract Counterparty; and
 - (ii) upon receipt of the Requested Milestone Supporting Information, the ICC Contract Counterparty shall as soon as reasonably practicable, and in any event no later than twenty (20) Business Days after receipt of such Requested Milestone Supporting Information, give a further Milestone Assessment Response Notice to the Emitter (a **"Further Milestone Assessment Response Notice"**). A Further Milestone Assessment Response Notice shall specify

whether the ICC Contract Counterparty considers that the Emitter has or has not complied with and fulfilled a Milestone Requirement.

- 4.5 Nothing in this Condition 4 (*Milestone Requirement*) shall require the ICC Contract Counterparty to specify in any Milestone Assessment Response Notice or Further Milestone Assessment Response Notice that the ICC Contract Counterparty accepts that a Milestone Requirement has been complied with and fulfilled unless the ICC Contract Counterparty is satisfied of the same.

Waiver of Milestone Requirement

- 4.6 The ICC Contract Counterparty may agree by notice to the Emitter to waive the fulfilment of any Milestone Requirement.
- 4.7 Conditions 49 (*No waiver*) and 50 (*Consents*) shall apply to any waiver given by the ICC Contract Counterparty pursuant to Condition 4.6.

Difficulties in achieving the Milestone Requirement

- 4.8 The Emitter shall give the ICC Contract Counterparty a written notice (a "**Milestone Delay Notice**") promptly upon the Emitter becoming aware of any fact, matter or circumstance which will or is reasonably likely to prevent the Emitter fulfilling the Milestone Requirement by the Milestone Delivery Date.
- 4.9 A Milestone Delay Notice shall be accompanied by a Directors' Certificate in relation to the information contained in, and enclosed with, such notice.

Effectiveness of a Milestone Requirement Notice

- 4.10 If the Emitter gives a Milestone Requirement Notice to the ICC Contract Counterparty and such notice is ineffective, this shall not, subject to Part 8 (*Termination*), preclude the Emitter from giving a further Milestone Requirement Notice to the ICC Contract Counterparty.
- 4.11 Without limitation, a Milestone Requirement Notice shall be deemed to be ineffective if:
- (A) it does not include the information specified in any of the following Conditions 4.1(A) or 4.1(B);
 - (B) it is not accompanied by a Directors' Certificate in accordance with Condition 4.2; or
 - (C) the ICC Contract Counterparty states in the Milestone Assessment Response Notice that the Emitter has not complied with and fulfilled a Milestone Requirement.

Part 4

Payment Calculations^{99 100}

5. DEFINITIONS: PART 4

In this Part 4 (*Payment Calculations*):

"Capex Payment Rate" means the capex payment rate calculated in accordance with the following formula:

$$CPR = \frac{TCP + r}{C}$$

where:

| | | |
|------------|---|--|
| <i>CPR</i> | = | Capex Payment Rate (£/tCO ₂) |
| <i>TCP</i> | = | Total Capex Payment (£) |
| <i>r</i> | = | Total Return Component (£) |
| <i>C</i> | = | Metered CO ₂ Output to T&S Estimate (tCO ₂) |

"Capture Outage Event" means an event where the Capture Plant is unavailable, curtailed or derated;

"Capture Outage Relief Event" means a Capture Outage Event which occurs as a direct result of a T&S Outage Event except to the extent that:

- (A) the T&S Outage Event arises out of or in connection with any act, omission, breach or default of the Emitter or its Representatives (including any breach by the Emitter or its Representatives of an Industry Document); or
- (B) prior to or following the occurrence of the T&S Outage Event, the Emitter has notified the ICC Contract Counterparty of the occurrence of a Full Capture Outage Event (which does not occur as a direct result of the T&S Outage Event) pursuant to Condition 22.1(A) (*Notification of Capture Outage Events*), and such event is continuing;

"Capture Outage Relief Notice" has the meaning given to that term in Condition 6.3 (*Capture Outage Relief Events*);

"Capture Outage Relief Response Notice" has the meaning given to that term in Condition 6.5 (*Capture Outage Relief Events*);

"Capture Outage Relief Supporting Information" has the meaning given to that term in Condition 6.5(B) (*Capture Outage Relief Events*);

⁹⁹ Note to Reader: The sale of negative CO₂ emissions/the creation of carbon market units associated with negative CO₂ emissions will initially be restricted under the ICC Contract. However, BEIS is considering whether this restriction could be reviewed, for example, periodically or if a regulated market for negative CO₂ emissions is implemented in the UK, with the conditions applying to the lifting of such restriction (including any LCCC right to claw back a percentage of negative emissions revenue) to be considered further and set out in the final form ICC Contract.

¹⁰⁰ Note to Reader: Subject to further review by BEIS in relation to the forfeiture and reconciliation of FAs and FA volume assurance. Please refer to the discussion on pages 20 to 30 of the April Update Document).

"Carbon Market Reference Price" has the meaning given to that term in Condition 6.10 (*Reference Price calculation*);

"Carbon Market Reference Price Review" means a review of the effective carbon price in the UK carried out by the ICC Contract Counterparty pursuant to Annex 6 (*Carbon Market Reference Price Review*);

"CMRP Fallback Settlement Unit" has the meaning given to that term in Condition 6.10(B) (*Reference Price calculation*);

"Deemed CO₂ Storage Rate " means the CO₂ storage rate (*expressed as a percentage (%)*) for the Installation for a Settlement Unit, determined pursuant to Condition 6.1 (*Determination of Deemed CO₂ Storage Rate*) or subsequently verified through a CO₂ Capture Test that is undertaken pursuant to Condition 6.2¹⁰¹;

"Deemed CO₂ Output to T&S" shall be calculated as follows:¹⁰²

$$DCO2_{out_T\&S,i} = DSR_i \times CO2_{in,i}$$

where:

$DCO2_{out_T\&S,i}$ = Deemed CO₂ Output to T&S (*expressed in tCO₂*) in the relevant Settlement Unit (*i*)

DSR_i = Deemed CO₂ Storage Rate (*expressed as a percentage (%)*) in the relevant Settlement Unit (*i*)

$CO2_{in,i}$ = [Metered CO₂ Input]¹⁰³ (*expressed in tCO₂*) in the relevant Settlement Unit (*i*)

"Further Outage Relief Response Notice" has the meaning given to that term in Condition 6.6(C)(ii) (*Capture Outage Relief Events*);

"Incomplete Billing Period" has the meaning given to that term in Condition 6.15 (*Metered CO₂ Output to T&S Fallback*);

"Incomplete Settlement Unit" has the meaning given to that term in Condition 6.15 (*Metered CO₂ Output to T&S Fallback*);

["Maximum CO₂ Output to T&S" means the product of the [CO₂ T&S Flow Rate Estimate] and the total duration (*expressed in tCO₂*) of all half hour-long periods in which the mass quantity of CO₂ entering the T&S Network from the Installation, as measured by the CO₂ Metering Equipment at the CO₂ T&S Network Delivery Point(s), is greater than zero (0), during each [T&S Billing Period];]¹⁰⁴

¹⁰¹ Note to Reader: The nature and duration of the verification test to be carried out by the Emitter at the ICC Contract Counterparty's request in order to verify an Achieved CO₂ Capture Rate, an Achieved CO₂ Storage Rate and/or a Deemed CO₂ Storage Rate is to be confirmed. Please see the Testing Requirements schedule in the DPA as an example of a proposed verification test.

¹⁰² Note to Reader: Subject to further review by BEIS including how the Deemed CO₂ Output to T&S will be calculated if there is no [Metered CO₂ Input] during a T&S Outage.

¹⁰³ Note to Reader: BEIS is considering whether pre-capture plant CO₂ will be metered.

¹⁰⁴ Note to Reader: This definition is subject to further review as the T&S business model develops.

"Metered CO₂ Output to T&S Cut-Off Time" means, in relation to each Billing Period, 14:00 on the fifth (5th) Business Day following such Billing Period;

"Metered CO₂ Output to T&S Data Recalculation Amount" has the meaning given to that term in Condition 6.16(B) (*Recalculations of Metered CO₂ Output to T&S*);

"Opex Costs Early Reopener Adjustment" has the meaning given to that term in Condition 8.7 (*Opex Costs Early Reopener Adjustment Calculation*);

"Opex Costs Early Reopener Cap" has the meaning given to that term in the ICC Agreement;

"Opex Costs Early Reopener Materiality Threshold" has the meaning given to that term in the ICC Agreement;

"Opex Costs Early Reopener Non-Compliance Notice" has the meaning given to that term in Condition 8.14 (*Opex Costs Early Reopener Adjustment*);

"Opex Costs Early Reopener Notice" has the meaning given to that term in Condition 8.8 (*Opex Costs Early Reopener Adjustment*);

"Opex Costs Early Reopener Response Notice" has the meaning given to that term in Condition 8.10 (*Opex Costs Early Reopener Adjustment*);

"Opex Costs Early Reopener Supporting Information" has the meaning given to that term in Condition 8.10(C) (*Opex Costs Early Reopener Adjustment*);

"Relief Event Billing Period" has the meaning given to that term in Condition 6.3(A) (*Capture Outage Relief Events*);

"Relief Event Recalculation Amount" has the meaning given to that term in Condition 6.7(B) (*Capture Outage Relief Events*);

"Relief Event Settlement Unit" has the meaning given to that term in Condition 6.3(A) (*Capture Outage Relief Events*);

"Total Opex Costs Early Reopener Adjustment" has the meaning given to that term in Condition 8.7 (*Opex Costs Early Reopener Adjustment Calculation*).

6. PAYMENT CALCULATIONS

Determination of Deemed CO₂ Storage Rate

6.1 Subject to Condition 6.2, where the Deemed CO₂ Storage Rate is applicable to a Settlement Unit pursuant to the definition of **"Deemed CO₂ Output to T&S"**, the Deemed CO₂ Storage Rate shall be equal to:

(A) where the relevant Settlement Unit falls during the first (1st) Billing Period of the Term:

$$DSR_i = OCPCR \times DFRP$$

DSR_i = Deemed CO₂ Storage Rate (*expressed as a percentage (%)*)

$OCPCR$ = OCP Achieved CO₂ Capture Rate (*expressed as a percentage (%)*)

$DFRP$ = Declared CO₂ T&S Flow Rate Percentage (*expressed as a percentage %*)

- (B) where the relevant Settlement Unit falls on or after the first (1st) day of the second (2nd) Billing Period and there are less than twelve (12) Billing Periods where the Achieved CO₂ Storage Rate is applicable for at least one (1) Settlement Unit within each Billing Period, the Average Achieved CO₂ Storage Rate in respect of the period referred to in limb (B) of the definition of **"Calculation Period"**; or
- (C) where there are equal to or more than twelve (12) Billing Periods where the Achieved CO₂ Storage Rate is applicable for at least one (1) Settlement Unit within each Billing Period, the Average Achieved CO₂ Storage Rate in respect of the period referred to in limb (C) of the definition of **"Calculation Period"**.

6.2 If a T&S Outage Event exceeds twelve (12) Billing Periods, the ICC Contract Counterparty may request a CO₂ Capture Test on one (1) occasion in each period of twelve (12) consecutive Billing Periods until the end of the T&S Outage Event in order to verify the Deemed CO₂ Storage Rate, in which case the Deemed CO₂ Storage Rate shall be equal to:

$$DSR_i = ACR \times DFRP$$

DSR_i = Deemed CO₂ Storage Rate (*expressed as a percentage (%)*) during the relevant Settlement Unit (i)¹⁰⁵

ACR = Achieved CO₂ Capture Rate during the CO₂ Capture Test (*expressed as a percentage %*)¹⁰⁶

$DFRP$ = Declared CO₂ T&S Flow Rate Percentage (*expressed as a percentage %*)

Capture Outage Relief Events

6.3 The Emitter shall give the ICC Contract Counterparty a notice promptly following the occurrence of a Capture Outage Relief Event (a **"Capture Outage Relief Notice"**). A Capture Outage Relief Notice shall:

- (A) specify the Settlement Unit(s) in which the Capture Outage Relief Event occurred (a **"Relief Event Settlement Unit"**) within the relevant Billing Period(s) (a **"Relief Event Billing Period"**);
- (B) describe the Capture Outage Relief Event (including the impact, if any, of the Capture Outage Relief Event on the Achieved CO₂ Capture Rate, the Achieved CO₂ Storage Rate and/or Metered CO₂ Output to T&S);
- (C) include evidence relating to the Capture Outage Relief Event from the T&S Operator;
- (D) include such Supporting Information as the Emitter considers to be relevant to the Capture Outage Relief Event and the impact of the Capture Outage Relief Event on the

¹⁰⁵ The units for may need to be adjusted where a CO₂ Capture Test is carried out over a period of time which is longer or shorter than a Settlement Unit.

¹⁰⁶ Note to Reader: The nature and duration of the verification test to be carried out by the Emitter at the ICC Contract Counterparty's request in order to verify the Achieved CO₂ Capture Rate, Achieved CO₂ Storage Rate and/or the Deemed CO₂ Storage Rate is to be confirmed. Please see the Testing Requirements schedule in the DPA as an example of a proposed verification test.

Achieved CO₂ Capture Rate, the Achieved CO₂ Storage Rate and/or Metered CO₂ Output to T&S; and

- (E) include details of the steps that the Emitter has taken and/or proposes to take to mitigate the effect of the relevant Capture Outage Relief Event.
- 6.4 Each Capture Outage Relief Notice shall be accompanied by a Directors' Certificate in relation to the information contained in, and enclosed with, the Capture Outage Relief Notice.
- 6.5 The ICC Contract Counterparty shall, no later than ten (10) Business Days after receipt of a Capture Outage Relief Notice, give a notice to the Emitter (a **"Capture Outage Relief Response Notice"**). A Capture Outage Relief Response Notice shall specify whether the ICC Contract Counterparty considers that:
- (A) the Emitter has or has not provided sufficient evidence in relation to the Capture Outage Relief Event to which the Capture Outage Relief Notice relates; or
 - (B) it has not been provided with sufficient Supporting Information to determine whether the Emitter has provided sufficient evidence in relation to the Capture Outage Relief Event to which the Capture Outage Relief Response Notice relates and, if so, details of the additional Supporting Information which the ICC Contract Counterparty requires to determine whether the Emitter has provided sufficient evidence in relation to the Capture Outage Relief Event (the **"Capture Outage Relief Supporting Information"**).
- 6.6 If the ICC Contract Counterparty states in the Capture Outage Relief Response Notice that:
- (A) the Emitter has provided sufficient evidence in relation to the Capture Outage Relief Event, then the Capture Outage Relief Event will be deemed to have occurred for the purposes of the ICC Contract;
 - (B) the Emitter has not provided sufficient evidence in relation to the Capture Outage Relief Event, then the Capture Outage Relief Event will be deemed not to have occurred for the purposes of the ICC Contract unless and until a resolution or determination to the contrary is made pursuant to the Expert Determination Procedure; or
 - (C) the Emitter has not provided the ICC Contract Counterparty with sufficient Supporting Information to determine whether the Emitter has provided sufficient evidence in relation to the Capture Outage Relief Event then:
 - (i) the Emitter shall provide the Capture Outage Relief Supporting Information as soon as reasonably practicable, and in any event no later than ten (10) Business Days after receipt of the Capture Outage Relief Response Notice, or such longer period as is specified by the ICC Contract Counterparty; and
 - (ii) upon receipt of the Capture Outage Relief Supporting Information, the ICC Contract Counterparty shall, as soon as reasonably practicable and in any event no later than ten (10) Business Days after receipt of such Capture Outage Relief Supporting Information, give a further Capture Outage Relief Response Notice to the Emitter (a **"Further Outage Relief Response Notice"**). A Further Outage Relief Response Notice shall specify whether the ICC Contract Counterparty considers that the Emitter has or has not provided sufficient evidence in relation to the Capture Outage Relief Event.
- 6.7 If a Capture Outage Relief Event is deemed to have occurred in accordance with Condition 6.6(A) or 6.6(C)(ii), the Metered CO₂ Output to T&S for each applicable Relief Event Settlement Unit shall be equal to the Deemed CO₂ Output to T&S for the purposes of calculating the Opex

Payment and/or the Capex Payment (as applicable) in accordance with Condition 8.2 (*Opex Payment Calculation*) and/or Condition 7.2 (*Capex Payment Calculation*) (as applicable):

- (A) the ICC Contract Counterparty shall recalculate the Opex Payment and/or the Capex Payment (as applicable) for such Relief Event Settlement Unit;
- (B) the ICC Contract Counterparty shall calculate any adjustment to the Monthly Opex Payment and the Monthly Capex Payment for such Billing Period ("**Relief Event Recalculation Amount**"); and
- (C) such Relief Event Recalculation Amount shall be included in the Opex Payment Billing Statement and/or the Capex Payment Billing Statement (as applicable) which is next issued by the ICC Contract Counterparty.

Reference Price calculation

- 6.8 The ICC Contract Counterparty shall calculate the Reference Price, expressed in £/tCO₂, in respect of each Settlement Unit following the Start Date.
- 6.9 The Fixed Trajectory Reference Price, which shall be the Reference Price during the Initial Term, shall be expressed in £/tCO₂ and shall be determined in accordance with Annex 2 to the ICC Agreement.
- 6.10 The "**Carbon Market Reference Price**", which shall be used to calculate the Average Carbon Market Reference Price which shall be the Reference Price during the Extended Term, shall be expressed in £/tCO₂ and shall, in respect of each Settlement Unit, be calculated as follows:
 - (A) The Carbon Market Reference Price in relation to Settlement Unit (*i*) shall be calculated in accordance with the following formula:

$$\text{Carbon Market Reference Price} = \left(\frac{\sum_{i=1}^e (UKCTP_{i,t} \times UKCTV_{i,t})}{\sum_{i=1}^e (UKCTV_{i,t})} \right)$$

where:

- e = is the number of CMRP Sources
- $UKCTP_{i,t}$ = is the UKA Futures December Contract Trading Price in Settlement Unit (*i*) as determined in the auction on the previous CMRP Trading Day conducted by the operator of each CMRP Source (*t*) (£/tCO₂e)
- $UKCTV_{i,t}$ = is the UKA Futures December Contract Trading Volume traded on CMRP Sources (*t*) in respect of Settlement Unit (*i*) (£/tCO₂e)
- (B) If no Carbon Market Reference Price is capable of being calculated pursuant to Condition 6.10(A) (whether due to the unavailability of all CMRP Sources pursuant to Condition 6.11 or otherwise) in respect of any Settlement Unit (a "**CMRP Fallback Settlement Unit**"), the Carbon Market Reference Price for such CMRP Fallback Settlement Unit shall be the Carbon Market Reference Price, as calculated in accordance with Condition 6.10(A) for the Settlement Unit corresponding to the nearest prior corresponding day to the CMRP Fallback Settlement Unit for which a Carbon Market Reference Price has been calculated in accordance with Condition 6.10(A).

- 6.11 If any CMRP Source is not available to the ICC Contract Counterparty on commercially reasonable terms in relation to any Settlement Unit, such CMRP Source shall be excluded from the calculation of the Carbon Market Reference Price in relation to such Settlement Unit.
- 6.12 The ICC Contract Counterparty shall as soon as reasonably practicable prior to:
- (A) excluding any CMRP Source from the calculation of the Carbon Market Reference Price in relation to any Settlement Unit pursuant to Condition 6.11, notify the Emitter of such exclusion; and
 - (B) including any CMRP Source in the calculation of the Carbon Market Reference Price in relation to any Settlement Unit which was previously excluded pursuant to Condition 6.11, notify the Emitter of such inclusion.
- 6.13 The **"Average Monthly Carbon Market Reference Price"** shall be expressed in £/tCO₂ and shall, in respect of each Billing Period, be calculated as follows:¹⁰⁷

$$AMCMRP = \frac{\sum CMRP_i}{Total_{Settlement Units}}$$

$AMCMRP$ = Average Monthly Carbon Market Reference Price (£/tCO₂)

$CMRP_i$ = Carbon Market Reference Price in each Settlement Unit (*i*) in the relevant Billing Period (£/tCO₂)

$Total_{Settlement Units}$ = the number of Settlement Units in the relevant Billing Period

Amendments to Reference Price

- 6.14 During the Extended Term, Condition 5 (*Definitions: Part 4*) and Conditions 6.8 and 6.11 (*Reference Price calculation*) may be amended, supplemented or replaced in accordance with Annex 6 (*Carbon Market Reference Price Review*).

Metered CO₂ Output to T&S Fallback

- 6.15 If the ICC Contract Counterparty has not received the Metered CO₂ Output to T&S from [*the relevant metering body*]¹⁰⁸ for any Settlement Unit (an **"Incomplete Settlement Unit"**) which falls within a Billing Period (an **"Incomplete Billing Period"**) on or prior to the Metered CO₂ Output to T&S Cut-Off Time, the Incomplete Settlement Unit will not be taken into account by the ICC Contract Counterparty for the purpose of calculating the Monthly Capex Payment and/or Monthly Opex Payment (as applicable) for such Incomplete Billing Period.

Recalculations of Metered CO₂ Output to T&S

- 6.16 If [*the relevant metering body*]¹⁰⁹ subsequently notifies the ICC Contract Counterparty of the Metered CO₂ Output to T&S relating to an Incomplete Settlement Unit falling within an Incomplete Billing Period:

¹⁰⁷ Note to Reader: This definition is subject to further review by BEIS.

¹⁰⁸ Note to Reader: The relevant company responsible for providing the relevant CO₂ data will be determined in due course.

¹⁰⁹ Note to Reader: The relevant company responsible for providing the relevant CO₂ data will be determined in due course.

- (A) the ICC Contract Counterparty shall recalculate the Monthly Capex Payment and/or Monthly Opex Payment (as applicable) for such Billing Period using such Metered CO₂ Output to T&S;
- (B) the ICC Contract Counterparty shall calculate any adjustment to the Monthly Capex Payment and/or Monthly Opex Payment (as applicable) for such Billing Period ("**Metered CO₂ Output to T&S Data Recalculation Amount**"); and
- (C) such Metered CO₂ Output to T&S Data Recalculation Amount shall be included in the Capex Payment Billing Statement and/or Opex Payment Billing Statement (as applicable) which is next issued by the ICC Contract Counterparty.

Recalculations of Expected Annual Capture Factor

- 6.17 If, at any time during a calendar year, the overall CO₂ Capture Factor¹¹⁰ in respect of the period from 01 January of the relevant calendar year to the date immediately prior to the relevant Settlement Unit is more than [●] percentage points lower than the Expected Annual Capture Factor for [●] or more Billing Periods, the ICC Contract Counterparty shall have the right, but not the obligation, to recalculate the Expected Annual Capture Factor.¹¹¹

7. CAPEX PAYMENT

Capex Payment Calculation

- 7.1 The capex payment for each CP Billing Period during the Capex Payment Period (the "**Monthly Capex Payment**") shall be calculated in accordance with the following formula:

$$CP_m = \sum CP_i$$

where:

| | | |
|--------|---|---|
| CP_m | = | Monthly Capex Payment (£) |
| CP_i | = | Capex Payment (£) for each Settlement Unit (<i>i</i>) in the relevant CP Billing Period calculated in accordance with Condition 7.2 |

- 7.2 The capex payment for each Settlement Unit (*i*) during the Capex Payment Period ("**Capex Payment**") shall be calculated in accordance with the following formula:

$$CP_i = CPR \times CO2_{out_T\&S,i}$$

where

| | | |
|---------------------|---|--|
| CP_i | = | Capex Payment (£) for each Settlement Unit (<i>i</i>) |
| CPR | = | Capex Payment Rate (£/tCO ₂) |
| $CO2_{out_T\&S,i}$ | = | Metered CO ₂ Output to T&S (tCO ₂) during the relevant Settlement Unit (<i>i</i>) |

¹¹⁰ Note to Reader: BEIS is considering how the overall CO₂ Capture Factor will be determined. Please refer to the definition of Actual Annual Capture Factor for an example of how the overall CO₂ Capture Factor may be determined.

¹¹¹ Note to Reader: This Condition is subject to further review by BEIS.

provided that, to the extent that:

(A) at any time during any Capex Payment Year (Cn):

$$\sum CP_{i,Cn} \geq (TCP + r) \times YCCM_{Cn}$$

where:

| | | |
|-------------|---|---|
| $CP_{i,Cn}$ | = | the Capex Payment (£) for each Settlement Unit (i) for the relevant Capex Payment Year (Cn) |
| TCP | = | Total Capex Payment (£) |
| r | = | Total Return Component (£) |
| $YCCM_{Cn}$ | = | the Yearly Capex Cap Multiplier for the relevant Capex Payment Year (Cn) |

then all further CP_i amounts in that Capex Payment Year (Cn) shall be zero (0); and

(B) at any time during the Capex Payment Period:

$$CP_{Total} \geq TCP + r$$

where:

| | | |
|--------------|---|--|
| CP_{Total} | = | the sum of the Capex Payments for each Settlement Unit (i) in the Capex Payment Period |
|--------------|---|--|

then all further CP_i amounts in the Capex Payment Period shall be zero (0).

8. OPEX PAYMENT

Opex Payment Calculation

8.1 The opex payment for each OP Billing Period during the Opex Payment Period (the "**Monthly Opex Payment**") shall be calculated in accordance with the following formula:

$$OP_m = \sum OP_i$$

where:

| | | |
|--------|---|---|
| OP_m | = | Monthly Opex Payment (£) |
| OP_i | = | Opex Payment (£) for each Settlement Unit (i) in the relevant OP Billing Period calculated in accordance with Condition 8.2 |

8.2 The opex payment for each Settlement Unit (i) during the Opex Payment Period ("**Opex Payment**") shall be calculated in accordance with the following formula:

$$OP_i = CO2_{out,T\&S,i} (S_i - R_{B,i}) + R_{B,i} \left(\frac{x_{e,f} T_{FA,f}}{dy_f} \right)$$

where:

| | | |
|---------------------|---|---|
| OP_i | = | Opex Payment (£) for each Settlement Unit (i) |
| $CO2_{out_T\&S,i}$ | = | Metered CO ₂ Output to T&S (tCO ₂) during the relevant Settlement Unit (i) |
| S_i | = | Strike Price (£/tCO ₂) that applies during the relevant Settlement Unit (i) |
| $R_{B,i}$ | = | Reference Price (£/tCO ₂) that applies during the relevant Settlement Unit (i) |
| $x_{e,f}$ | = | Expected Annual Capture Factor (%) for calendar year (f) ¹¹² |
| $T_{FA,f}$ | = | Total Annual FA Allocation (tCO ₂) for calendar year (f) ¹¹³ |
| dy_f | = | the number of Settlement Units in the relevant calendar year (f) |

provided that:

- (A) if at any time during the Initial Term $S_i - R_{B,i}$ is less than zero (0), then $S_i - R_{B,i}$ shall be zero (0);
- (B) $R_{B,i} \left(\frac{x_{e,f} T_{FA,f}}{dy_f} \right)$ shall be zero (0) during the Extended Term; and
- (C) if at any time during any Opex Payment Year (On):

$$\sum CO2_{out_T\&S,On} \geq MA \times 1.1$$

where:

| | | |
|----------------------|---|---|
| $CO2_{out_T\&S,On}$ | = | the Metered CO ₂ Output to T&S (tCO ₂) for each Settlement Unit (i) in the relevant Opex Payment Year (On) |
| MA | = | Maximum Annual CO ₂ Capture Quantity (tCO ₂) |

then all further $CO2_{out_T\&S}(S_i - R_{B,i})$ amounts in that Opex Payment Year (On) shall be zero (0).¹¹⁴

Strike Price Indexation Adjustment

- 8.3 The ICC Contract Counterparty shall calculate an indexation adjustment to the Strike Price during the Strike Price Adjustment Calculation Period in each calendar year of the Term (each such adjustment, an **"OP Indexation Adjustment"**).

¹¹² Note to Reader: Reconciliation of Expected Annual Capture Factor subject to further review.

¹¹³ Note to Reader: Subject to further review by BEIS in relation to the forfeiture and reconciliation of FAs and FA volume assurance. Please refer to the discussion on pages 20 to 30 of the April Update Document).

¹¹⁴ Note to Reader: BEIS is considering the interaction of this cap with the Excessive Carbon Creation proposals (please refer to the discussion on page 13 of the April Update Document).

8.4 Each OP Indexation Adjustment shall:

- (A) become effective on the first (1st) day of the Summer Season in the calendar year in which the OP Indexation Adjustment is calculated (each such date, an **"OP Indexation Anniversary"**); and
- (B) use the CPI for January of the relevant calendar year save where the CPI for January is not published by the first (1st) day of the Summer Season in such calendar year, in which case the Reference CPI shall be used.

8.5 The Strike Price which is to apply with effect from each OP Indexation Anniversary as a result of the OP Indexation Adjustment shall be calculated by the ICC Contract Counterparty in accordance with the following formula:¹¹⁵

$$S_i = \left((S_{base} + ADJ_i^{base}) \times \Pi_i \right)$$

S_i = Strike Price (£/tCO₂) that applies during the relevant Settlement Unit (i)

S_{base} = Initial Strike Price (£/tCO₂)

ADJ_i^{base} = sum of the Strike Price Adjustments applicable to Settlement Unit (i) (other than any adjustment pursuant to Condition 8.3 (*OP Indexation Adjustment*)) occurring immediately prior to the relevant OP Indexation Anniversary, expressed in Base Year Terms

Π_i = Inflation Factor applicable to a Settlement Unit (i)

8.6 The ICC Contract Counterparty shall notify the Emitter of the revised Strike Price no later than five (5) Business Days after each OP Indexation Anniversary.

Opex Costs Early Reopener Adjustment Calculation

8.7 Within twenty (20) Business Days of the first (1st) anniversary of the Start Date, the Emitter shall calculate an adjustment to the Strike Price in respect of each Eligible Opex Cost (the **"Opex Costs Early Reopener Adjustment"**) and the aggregate of all such Eligible Opex Costs (the **"Total Opex Costs Early Reopener Adjustment"**). The Opex Costs Early Reopener Adjustment in respect of each Eligible Opex Cost shall be calculated as follows: [●].¹¹⁶

Opex Costs Early Reopener Adjustment¹¹⁷

8.8 Within twenty (20) Business Days of the first (1st) anniversary of the Start Date, the Emitter shall give a notice to the ICC Contract Counterparty (the **"Opex Costs Early Reopener Notice"**). The Opex Costs Early Reopener Notice shall:

¹¹⁵ Note to Reader: OP Indexation Adjustment and Strike Price Adjustment mechanisms to be kept under review.

¹¹⁶ Note to Reader: Please refer to the scenarios on pages 37 to 39 of the April Update Document in relation to the Opex Costs Early Reopener Adjustments.

¹¹⁷ Note to Reader: Please refer to the discussion on pages 35 to 39 of the April Update Document in relation to the Opex Costs Early Reopener.

- (A) specify which of the Eligible Opex Costs the Emitter considers should be adjusted on the basis that the corresponding actual costs are higher or lower than the estimated costs;
 - (B) subject to Condition 8.12, include the Emitter's estimate of the Opex Costs Early Reopener Adjustment in respect of each Eligible Opex Cost calculated in accordance with Condition 8.7 and the Total Opex Costs Early Reopener Adjustment; and
 - (C) include such Supporting Information as the Emitter considers to be relevant to each Opex Costs Early Reopener Adjustment and the Total Opex Costs Early Reopener Adjustment.
- 8.9 The Opex Costs Early Reopener Notice shall be accompanied by:
- (A) a Directors' Certificate;
 - (B) a report from the Emitter's technical adviser; and
 - (C) a certificate from an independent Auditor,
- in relation to the information contained in, and enclosed with, the Opex Costs Early Reopener Notice.
- 8.10 The ICC Contract Counterparty shall, no later than ninety (90) Business Days after receipt of the Opex Costs Early Reopener Notice, give a notice to the Emitter (the "**Opex Costs Early Reopener Response Notice**"). The Opex Costs Early Reopener Response Notice shall specify whether the ICC Contract Counterparty:
- (A) agrees with the Opex Costs Early Reopener Adjustments and the Total Opex Costs Early Reopener Adjustment as specified in the Opex Costs Early Reopener Notice; or
 - (B) does not agree with the Opex Costs Early Reopener Adjustments and the Total Opex Costs Early Reopener Adjustment as specified in the Opex Costs Early Reopener Notice, giving reasons; or
 - (C) considers that it has not been provided with sufficient Supporting Information to determine whether or not it agrees with the Opex Costs Early Reopener Adjustments and the Total Opex Costs Early Reopener Adjustment and if so, shall provide details of any additional or revised Supporting Information which the ICC Contract Counterparty requires to determine whether or not it agrees with the Opex Costs Early Reopener Adjustments and the Total Opex Costs Early Reopener Adjustment (the "**Opex Costs Early Reopener Supporting Information**").
- 8.11 If the ICC Contract Counterparty states in the Opex Costs Early Reopener Response Notice that:
- (A) it agrees with the Opex Costs Early Reopener Adjustments and the Total Opex Costs Early Reopener Adjustment as specified in the Opex Costs Early Reopener Notice, the Strike Price shall be adjusted in accordance with the Total Opex Costs Early Reopener Adjustment with effect from the date of the Opex Costs Early Reopener Notice;
 - (B) it does not agree with the Opex Costs Early Reopener Adjustments and the Total Opex Costs Early Reopener Adjustment as specified in the Opex Costs Early Reopener Notice, the Strike Price shall not be adjusted unless and until a resolution or determination to the contrary is made pursuant to the Dispute Resolution Procedure; or

- (C) the Emitter has not provided the ICC Contract Counterparty with sufficient Supporting Information to determine whether or not it agrees with the Opex Costs Early Reopener Adjustments and the Total Opex Costs Early Reopener Adjustment:
- (i) the Emitter shall provide the Opex Costs Early Reopener Supporting Information to the ICC Contract Counterparty as soon as reasonably practicable, and in any event no later than twenty (20) Business Days after receipt of the Opex Costs Early Reopener Response Notice, or such longer period as is specified by the ICC Contract Counterparty; and
 - (ii) the ICC Contract Counterparty shall, no later than ninety (90) Business Days after receipt of the Opex Costs Early Reopener Supporting Information, give a further Opex Costs Early Reopener Response Notice to the Emitter (a **"Further Opex Costs Early Reopener Response Notice"**). A Further Opex Costs Early Reopener Response Notice shall specify whether the ICC Contract Counterparty does or does not agree with the Opex Costs Early Reopener Adjustments and the Total Opex Costs Early Reopener Adjustment as specified in the Opex Costs Early Reopener Notice.

8.12 For the avoidance of doubt:

- (A) there shall be no Total Opex Costs Early Reopener Adjustment where the actual Eligible Opex Costs do not exceed the Opex Costs Early Reopener Materiality Threshold¹¹⁸; and
- (B) in no circumstances shall the Total Opex Costs Early Reopener Adjustment exceed the Opex Costs Early Reopener Cap.¹¹⁹

8.13 Nothing in Conditions 8.8 to 8.12 (*Opex Costs Early Reopener Adjustment*) shall require the ICC Contract Counterparty to specify in any Opex Costs Early Reopener Response Notice or Further Opex Costs Early Reopener Response Notice that the ICC Contract Counterparty agrees with the Opex Costs Early Reopener Adjustments and the Total Opex Costs Early Reopener Adjustment unless and until the ICC Contract Counterparty is satisfied of the same.

Failure to give an Opex Costs Early Reopener Notice

8.14 If the Emitter fails to give an Opex Costs Early Reopener Notice to the ICC Contract Counterparty in accordance with Condition 8.8, the ICC Contract Counterparty shall give a notice to the Emitter (an **"Opex Costs Early Reopener Non-Compliance Notice"**). An Opex Costs Early Reopener Non-Compliance Notice shall:

- (A) notify the Emitter that it has failed to give an Opex Costs Early Reopener Notice to the ICC Contract Counterparty in accordance with Condition 8.8; and
- (B) specify the date on and from which the ICC Contract Counterparty may suspend payments in accordance with Condition 8.16, being the date which falls twenty (20) Business Days after the date of the Opex Costs Early Reopener Non-Compliance Notice.

¹¹⁸ Note to Reader: The Opex Costs Early Reopener Materiality Threshold will be set by BEIS on a project-by-project basis and will be set out in the front end agreement.

¹¹⁹ Note to Reader: The Opex Costs Early Reopener Cap will be set by BEIS on a project-by-project basis and will be set out in the front end agreement.

8.15 If the Emitter gives an Opex Costs Early Reopener Notice to the ICC Contract Counterparty by the date which is twenty (20) Business Days from the date of the Opex Costs Early Reopener Non-Compliance Notice, Conditions 8.10 to 8.13 shall apply.

8.16 If Condition 8.14 applies and the Emitter either:

- (A) fails to give an Opex Costs Early Reopener Notice to the ICC Contract Counterparty by the date which is twenty (20) Business Days from the date of the Opex Costs Early Reopener Non-Compliance Notice; or
- (B) if Condition 8.10(C) applies, fails to provide the required Opex Costs Early Reopener Supporting Information by the date which is twenty (20) Business Days after the date of the Opex Costs Early Reopener Response Notice, or such longer period as is specified by the ICC Contract Counterparty,

the ICC Contract Counterparty may elect to suspend any Payments which would otherwise be payable by the ICC Contract Counterparty to the Emitter in any period during which the Emitter is in breach of such obligations, provided that, prior to effecting any such suspension, the ICC Contract Counterparty shall notify the Emitter of: (i) its intention to suspend such Payments; and (ii) the date from which it proposes to effect such suspension.

8.17 If the Emitter subsequently complies with its obligation to provide an Opex Costs Early Reopener Notice or the Opex Costs Early Reopener Supporting Information (as applicable), then the ICC Contract Counterparty shall pay any amounts to the Emitter which would have been payable but for the operation of Condition 8.16. The ICC Contract Counterparty may elect to make such payment on a lump sum, staged or daily basis. No Compensatory Interest or Default Interest shall be payable in respect of any amount payable pursuant to this Condition 8.17.

9. T&S PAYMENT

T&S Payment Calculation ¹²⁰

9.1 The T&S payment for each T&S Billing Period during the Term (the "**Monthly T&S Payment**") shall be calculated in accordance with the following formula:

$$T\&S_m = \sum T\&S_i$$

where:

$T\&S_m$ = Monthly T&S Payment (£)

$T\&S_i$ = T&S Payment (£) for each Settlement Unit (i) in the relevant T&S Billing Period calculated in accordance with Condition 9.2

9.2 The T&S payment for each Settlement Unit (i) during the Term ("**T&S Payment**") shall be calculated in accordance with the following formula:

$$T\&S_i = T\&SRF + T\&SVF + T\&SCF$$

where:

¹²⁰ Note to Reader: This Condition is subject to further development as the T&S business model is developed.

| | | |
|----------|---|---|
| $T\&S_i$ | = | T&S Payment (£) for each Settlement Unit (i) |
| $TSRF_i$ | | T&S Residual Fee (£) for each Settlement Unit (i) |
| $TSVF_i$ | | T&S Volumetric Fee (£) for each Settlement Unit (i) |
| $TSCF_i$ | | T&S Capacity Fee (£) for each Settlement Unit (i) |

provided that if there is a T&S Commissioning Delay Event then:

- (A) the T&S Capacity Fee, the T&S Volumetric Fee and the T&S Residual Fee shall not be payable by the ICC Contract Counterparty to the Emitter, until the T&S Commissioning Delay Event has ceased and the T&S Network is commissioned; and
- (B) the T&S Capacity Fee, the T&S Volumetric Fee and the T&S Residual Fee shall be deemed to be zero (0) during any period in which there is a T&S Commissioning Delay Event.

Part 5

Billing and payment¹²¹

10. BILLING STATEMENTS

Delivery of Capex Payment Billing Statement

10.1 The ICC Contract Counterparty:

- (A) may, in relation to any period from and including the Agreement Date to, but excluding, the date on which the Start Date Notice is given; and
- (B) shall, in relation to each CP Billing Period from and including the date on which the Start Date Notice is given,

deliver a billing statement to the Emitter (each, a **"Capex Payment Billing Statement"**) in relation to the previous CP Billing Period.

10.2 Subject to Condition 10.3, each Capex Payment Billing Statement issued after the date on which the Start Date Notice is given shall be delivered to the Emitter no later than seven (7) Business Days after the end of the relevant CP Billing Period.

10.3 If not previously the subject of a Capex Payment Billing Statement, the first (1st) Capex Payment Billing Statement in relation to a CP Billing Period on or after the date on which the Start Date Notice is given shall commence on the Start Date and end on the last day of the Month in which the ICC Contract Counterparty notifies the Emitter pursuant to the OCP Response Notice or the Further OCP Response Notice (as relevant) that it has determined that all of the Operational Conditions Precedent have been satisfied or waived in accordance with Condition 3.28 (*Waiver of Conditions Precedent and Default*) and/or Condition 3.39 (*Waiver of Subsidy Control Declaration Operational CP*) (as applicable).

Contents of Capex Payment Billing Statement

10.4 Each Capex Payment Billing Statement shall set out or identify:

Identification information

- (A) the CP Billing Period or other period to which the Capex Payment Billing Statement relates;
- (B) the name of the Emitter (or a unique identifier attributed to the Emitter by the ICC Contract Counterparty);
- (C) the details of the Installation (or a unique identifier attributed to the Installation by the ICC Contract Counterparty);

Capex Payment calculation

- (D) in respect of each Capex Payment Billing Statement issued on or after the date on which the Start Date Notice is given:

¹²¹ Note to Reader: Subject to further review by BEIS in relation to the forfeiture and reconciliation of FAs and FA volume assurance. Please refer to the discussion on pages 20 to 30 of the April Update Document).

- (i) the Capex Payment for each Settlement Unit for the relevant CP Billing Period;
- (ii) the Monthly Capex Payment for the relevant CP Billing Period;
- (iii) the Achieved CO₂ Capture Rate for each Settlement Unit falling within the relevant CP Billing Period;
- (iv) the Achieved CO₂ Storage Rate for each Settlement Unit falling within the relevant CP Billing Period;
- (v) the CO₂ Capture Factor for each Settlement Unit falling within the relevant CP Billing Period;
- (vi) if applicable, the duration of each Full Capture Outage Event for each Settlement Unit falling within the relevant CP Billing Period where a Full Capture Outage Event occurs;
- (vii) the Metered CO₂ Output in respect of each Settlement Unit falling within the relevant CP Billing Period;
- (viii) the Metered CO₂ Output to T&S in respect of each Settlement Unit for the relevant CP Billing Period;
- (ix) the [Metered CO₂ Input]¹²² in respect of each Settlement Unit falling within the relevant CP Billing Period; and
- (x) if applicable, the duration of each Capture Outage Relief Event for each Settlement Unit falling within the relevant CP Billing Period where a Capture Outage Relief Event occurs and the corresponding Deemed CO₂ Storage Rate and Deemed CO₂ Output to T&S for each such Settlement Unit;

Additional components

- (E) any CP Reconciliation Amounts;
- (F) any CP Compensatory Interest Amount;

CP Net Payable Amount

- (G) the CP Net Payable Amount in respect of the relevant CP Billing Period or other period to which the Capex Payment Billing Statement relates; and

Set Off Amount

- (H) any amount set off against the CP Net Payable Amount pursuant to Condition 3.42 (*Set-Off of Previous Subsidy*), Condition 23.8 (*Set-Off of Supply Chain Report Fees*) or Condition 25.15 (*Set Off of Other Subsidy*).

Calculation of CP Reconciliation Amounts

- 10.5 The "**CP Reconciliation Amounts**"¹²³ shall, in respect of each CP Billing Period (or such other period prior to the Start Date in respect of which a Capex Payment Billing Statement is issued), comprise any revisions to the CP Net Payable Amount in respect of any preceding CP Billing

¹²² Note to Reader: BEIS is considering whether pre-capture plant CO₂ will be metered.

¹²³ Note to Reader: This Condition is subject to further review as the T&S business model develops.

Period (or any other prior period in respect of which a Capex Payment Billing Statement was issued) which are required to reflect:

- (A) the resolution of any Metering Disputes;
- (B) any Relief Event Recalculation Amount pursuant to Condition 6.7 (*Capture Outage Relief Events*);
- (C) any Metered CO₂ Output to T&S Data Recalculation Amount pursuant to Condition 6.16 (*Recalculations of Metered CO₂ Output to T&S*);
- (D) any amount payable pursuant to:
 - (i) Condition 8.16 (*Failure to give an Opex Costs Early Reopener Notice*), Condition 18.2 (*Failure to comply with Compliance of technology undertaking*), Condition 19.9 (*Failure to remedy Metering Obligation breach*), Condition 19.12 (*Failure to comply with Metering Schematic Obligation*), Condition 19.18 (*Failure to provide Metering Access Right*), [Condition 19.23 (*Failure to comply with Automated Data Systems Obligations*)], Condition 20.10 (*Failure to comply with Minimum CO₂ Capture Rate Obligation: Suspension*), Condition 21.5 (*Suspension of Payments (Failure to provide CO₂ Metering Data)*), Condition 22.5 (*Suspension of Payments (Failure to provide Full Capture Outage Event Notification)*), Condition 22.12 (*Failure to provide Full Capture Outage Event Access Right*), Condition 24.14 (*Failure to submit a Carbon Intensity Report: Suspension*) or Condition 35.15 (*Failure to comply with T&S Prolonged Unavailability Procedure Obligation: Suspension*); or
 - (ii) Conditions 25.6 (*Suspension of Payments*), 25.9 (*Suspension of Payments (Failure to Provide Information)*) or 25.12 (*Waiver of Emitter's Obligation to Repay Subsidy, State aid and/or Union Funding*);
- (E) any agreed or determined adjustment to the Achieved CO₂ Capture Rate, Achieved CO₂ Storage Rate and/or Metered CO₂ Output to T&S;
- (F) any QCiL Compensation (including any QCiL Adjusted Capture Payment);
- (G) any QCiL True-Up Compensation (including any QCiL True-Up Adjusted Capture Period Adjustment); and
- (H) the correction of any error in any previous Capex Payment Billing Statement.

Calculation of CP Compensatory Interest Amount

- 10.6 The **"CP Compensatory Interest Amount"**¹²⁴ shall, in respect of each CP Billing Period (or such other period prior to the Start Date in respect of which a Capex Payment Billing Statement is issued), comprise interest due and payable in relation to each CP Reconciliation Amount reflected in the Capex Payment Billing Statement for the relevant CP Billing Period or such other period (a **"CP Reconciliation Billing Period"**), calculated on the basis that interest on each CP Reconciliation Amount shall accrue on such amount at the CP Compensatory Interest Rate for the period from (and including):

¹²⁴ Note to Reader: This Condition is subject to further review as the T&S business model develops.

- (A) the relevant Settlement Unit(s) in the CP Billing Period to which a Metering Dispute relates in respect of any CP Reconciliation Amount resulting from the resolution of a Metering Dispute;
- (B) the Longstop Date in respect of any CP Reconciliation Amount resulting from the agreement or determination of the Achieved CO₂ Capture Rate, Achieved CO₂ Storage Rate and/or the Metered CO₂ Output to T&S which has been Commissioned;
- (C) the QCiL Compensation Date in respect of any CP Reconciliation Amount to reflect any QCiL Compensation (including any QCiL Strike Price Adjustment and/or any QCiL Adjusted Capture Period Adjustment) or QCiL True-Up Compensation (including any QCiL True-Up Strike Price Adjustment and/or any QCiL True-Up Adjusted Capture Period Adjustment); and
- (D) the relevant Settlement Unit(s) in the CP Billing Period to which any adjustment to correct any error in any previous Capex Payment Billing Statement relates in respect of any CP Reconciliation Amount to correct such an error (or if such CP Reconciliation Amount to correct such error was included in a Capex Payment Billing Statement issued prior to the Start Date, the date of the prior Capex Payment Billing Statement in which such error was included),

to the final Settlement Unit in the relevant CP Reconciliation Billing Period. For this purpose: (i) interest shall accrue on such amounts from day to day and shall be calculated on the basis of the actual number of days elapsed and a year of 365 days; and (ii) the **"CP Compensatory Interest Rate"** shall be the prevailing Base Rate on each day during the relevant calculation period.

Calculation of CP Net Payable Amount

- 10.7 The **"CP Net Payable Amount"** shall, in respect of each CP Billing Period (or such other period prior to the Start Date in respect of which a Capex Payment Billing Statement is issued), be an amount (*expressed in pounds*) calculated in accordance with the following formula:

$$CP \text{ Net Payable Amount} = CP_m + CPRA + CPCIA$$

where:

- | | | |
|---------|---|--|
| CP_m | = | is the Monthly Capex Payment in respect of such CP Billing Period; |
| $CPRA$ | = | is any CP Reconciliation Amount in respect of such CP Billing Period (or such other period to which the Capex Payment Billing Statement relates); and |
| $CPCIA$ | = | is any CP Compensatory Interest Amount in respect of such CP Billing Period (or such other period to which the Capex Payment Billing Statement relates), |

and if such amount is:

- (i) positive, it shall represent an amount payable by the ICC Contract Counterparty to the Emitter; or
- (ii) negative, it shall represent an amount payable by the Emitter to the ICC Contract Counterparty.

Delivery of Opex Payment Billing Statement

- 10.8 The ICC Contract Counterparty:
- (A) may, in relation to any period from and including the Agreement Date to, but excluding, the date on which the Start Date Notice is given; and
 - (B) shall, in relation to each OP Billing Period from and including the date on which the Start Date Notice is given,
- deliver a billing statement to the Emitter (each, an **"Opex Payment Billing Statement"**) in relation to the previous OP Billing Period.
- 10.9 Subject to Condition 10.10, each Opex Payment Billing Statement issued after the date on which the Start Date Notice is given shall be delivered to the Emitter no later than seven (7) Business Days after the end of the relevant OP Billing Period.
- 10.10 If not previously the subject of an Opex Payment Billing Statement, the first (1st) Opex Payment Billing Statement in relation to an OP Billing Period on or after the date on which the Start Date Notice is given shall commence on the Start Date and end on the last day of the Month in which the ICC Contract Counterparty notifies the Emitter pursuant to the OCP Response Notice or Further OCP Response Notice (as relevant) in which the ICC Contract Counterparty specifies that it has determined that all of the Operational Conditions Precedent have been satisfied or waived in accordance with Condition 3.28 (*Waiver of Conditions Precedent and Default*) and/or Condition 3.39 (*Waiver of Subsidy Control Declaration Operational CP*) (as applicable).

Contents of Opex Payment Billing Statement

- 10.11 Each Opex Payment Billing Statement shall set out or identify:

Identification information

- (A) the OP Billing Period or other period to which the Opex Payment Billing Statement relates;
- (B) the name of the Emitter (or a unique identifier attributed to the Emitter by the ICC Contract Counterparty);
- (C) the details of the Installation (or a unique identifier attributed to the Installation by the ICC Contract Counterparty);

Opex Payment calculation

- (D) in respect of each Opex Payment Billing Statement issued on or after the date on which the Start Date Notice is given:
 - (i) the Opex Payment for each Settlement Unit for the relevant OP Billing Period;
 - (ii) the Monthly Opex Payment for the relevant OP Billing Period;
 - (iii) the Strike Price for each Settlement Unit in the relevant OP Billing Period;
 - (iv) the Total Annual FA Allocation for the calendar year in which the OP Billing Statement is issued;
 - (v) the number of Settlement Units in the calendar year in which the OP Billing Statement is issued;

- (vi) the Achieved CO₂ Capture Rate for each Settlement Unit falling within the relevant OP Billing Period;
- (vii) the Achieved CO₂ Storage Rate for each Settlement Unit falling within the relevant OP Billing Period;
- (viii) the CO₂ Capture Factor for each Settlement Unit falling within the relevant OP Billing Period;
- (ix) if applicable, the duration of each Full Capture Outage Event in each Settlement Unit falling within the relevant OP Billing Period in which one or more Full Capture Outage Event occurs;
- (x) the Metered CO₂ Output in respect of each Settlement Unit falling within the relevant OP Billing Period;
- (xi) the Metered CO₂ Output to T&S in respect of each Settlement Unit for the relevant OP Billing Period;
- (xii) the [Metered CO₂ Input]¹²⁵ in respect of each Settlement Unit falling within the relevant CP Billing Period;
- (xiii) the Reference Price in respect of each Settlement Unit falling within the relevant OP Billing Period;
- (xiv) the applicable Expected Annual Capture Factor in respect of each Settlement Unit falling within the relevant OP Billing Period; and
- (xv) if applicable, the duration of each Capture Outage Relief Event for each Settlement Unit falling within the relevant OP Billing Period where a Capture Outage Relief Event occurs, and the corresponding Deemed CO₂ Storage Rate and Deemed CO₂ Output to T&S;

Additional components

- (E) any OP Reconciliation Amounts
- (F) any OP Compensatory Interest Amount;

OP Net Payable Amount

- (G) the OP Net Payable Amount in respect of the relevant OP Billing Period or other period to which the Opex Payment Billing Statement relates; and

Set Off Amount

- (H) any amount set off against the OP Net Payable Amount pursuant to Condition 3.42 (*Set-Off of Previous Subsidy*), Condition 23.8 (*Set-Off of Supply Chain Report Fees*) or Condition 25.15 (*Set Off of Other Subsidy*).

Calculation of OP Reconciliation Amounts

- 10.12 The "**OP Reconciliation Amounts**"¹²⁶ shall, in respect of each OP Billing Period (or such other period prior to the Start Date in respect of which an Opex Payment Billing Statement is issued),

¹²⁵ Note to Reader: BEIS is considering whether pre-capture plant CO₂ will be metered.

¹²⁶ Note to Reader: This Condition is subject to further review as the T&S business model develops.

comprise any revisions to the OP Net Payable Amount in respect of any preceding OP Billing Period (or any other prior period in respect of which an Opex Payment Billing Statement was issued) which are required to reflect:

- (A) the resolution of any Metering Disputes;
- (B) any Relief Event Recalculation Amount pursuant to Condition 6.7 (*Capture Outage Relief Events*);
- (C) any Metered CO₂ Output to T&S Data Recalculation Amount pursuant to Condition 6.16 (*Recalculations of Metered CO₂ Output to T&S*);
- (D) any amount payable pursuant to:
 - (i) Condition 8.16 (*Failure to give an Opex Costs Early Reopener Notice*), Condition 18.2 (*Failure to comply with compliance of technology undertaking*), Condition 19.9 (*Failure to remedy Metering Obligation breach*), Condition 19.12 (*Failure to comply with Metering Schematic Obligation*), Condition 19.18 (*Failure to provide Metering Access Right*), [Condition 19.23 (*Failure to comply with Automated Data Systems Obligations*)], Condition 20.10 (*Failure to comply with Minimum CO₂ Capture Rate Obligation: Suspension*), Condition 21.5 (*Suspension of Payments (Failure to provide CO₂ Metering Data)*), Condition 22.5 (*Suspension of Payments (Failure to provide Full Capture Outage Event Notification)*), Condition 22.12 (*Failure to provide Full Capture Outage Event Access Right*), Condition 24.14 (*Failure to submit a Carbon Intensity Report: Suspension*) or Condition 35.15 (*Failure to comply with T&S Prolonged Unavailability Procedure Obligation: Suspension*); or
 - (ii) Conditions 25.6 (*Suspension of Payments*), 25.9 (*Suspension of Payments (Failure to Provide Information)*) or 25.12 (*Waiver of Emitter's Obligation to Repay Subsidy, State aid and/or Union Funding*);
- (E) any agreed or determined adjustment to the Achieved CO₂ Capture Rate, Achieved CO₂ Storage Rate and/or Metered CO₂ Output to T&S;
- (F) any QCiL Compensation (including any QCiL Strike Price Adjustment and/or any QCiL Adjusted Capture Period Adjustment);
- (G) any QCiL True-Up Compensation (including any QCiL True-Up Strike Price Adjustment and/or any QCiL True-Up Adjusted Capture Period Adjustment);
- (H) any OP Indexation Adjustment; and
- (I) the correction of any error in any previous Opex Payment Billing Statement.

Calculation of OP Compensatory Interest Amount

- 10.13 The "**OP Compensatory Interest Amount**"¹²⁷ shall, in respect of each OP Billing Period (or such other period prior to the Start Date in respect of which an Opex Payment Billing Statement is issued), comprise interest due and payable in relation to each OP Reconciliation Amount reflected in the Opex Payment Billing Statement for the relevant OP Billing Period or such other period (an "**OP Reconciliation Billing Period**"), calculated on the basis that interest on

¹²⁷ Note to Reader: This Condition is subject to further review as the T&S business model develops.

each OP Reconciliation Amount shall accrue on such amount at the OP Compensatory Interest Rate for the period from (and including):

- (A) the relevant Settlement Unit(s) in the OP Billing Period to which a Metering Dispute relates in respect of any OP Reconciliation Amount resulting from the resolution of a Metering Dispute;
- (B) the Longstop Date in respect of any OP Reconciliation Amount resulting from the agreement or determination of the Achieved CO₂ Capture Rate, Achieved CO₂ Storage Rate and/or the Metered CO₂ Output to T&S which has been Commissioned;
- (C) the QCiL Compensation Date in respect of any CP Reconciliation Amount to reflect any QCiL Compensation (including any QCiL Strike Price Adjustment and/or any QCiL Adjusted Capture Period Adjustment) or QCiL True-Up Compensation (including any QCiL True-Up Strike Price Adjustment and/or any QCiL True-Up Adjusted Capture Period Adjustment);
- (D) the relevant OP Indexation Anniversary in respect of any OP Indexation Adjustment; and
- (E) the relevant Settlement Unit(s) in the OP Billing Period to which any adjustment to correct any error in any previous Opex Payment Billing Statement relates in respect of any OP Reconciliation Amount to correct such an error (or if such OP Reconciliation Amount to correct such error was included in an Opex Payment Billing Statement issued prior to the Start Date, the date of the prior Opex Payment Billing Statement in which such error was included);

to the final Settlement Unit in the relevant OP Reconciliation Billing Period. For this purpose: (i) interest shall accrue on such amounts from day to day and shall be calculated on the basis of the actual number of days elapsed and a year of 365 days; and (ii) the **"OP Compensatory Interest Rate"** shall be the prevailing Base Rate on each day during the relevant calculation period.

Calculation of OP Net Payable Amount

- 10.14 The **"OP Net Payable Amount"** shall, in respect of each OP Billing Period (or such other period prior to the Start Date in respect of which an Opex Payment Billing Statement is issued), be an amount (*expressed in pounds*) calculated in accordance with the following formula:

$$OP \text{ Net Payable Amount} = OP_m + OPRA + OPCIA$$

where:

- OP_m = is the Monthly Opex Payment in respect of such OP Billing Period;
- $OPRA$ = is any OP Reconciliation Amount in respect of such OP Billing Period (or such other period to which the Opex Payment Billing Statement relates); and
- $OPCIA$ = is any OP Compensatory Interest Amount in respect of such OP Billing Period (or such other period to which the Opex Payment Billing Statement relates),

and if such amount is:

- (i) positive, it shall represent an amount payable by the ICC Contract Counterparty to the Emitter; or
- (ii) negative, it shall represent an amount payable by the Emitter to the ICC Contract Counterparty.

Delivery of T&S Billing Statement

- 10.15 The ICC Contract Counterparty shall, in relation to each T&S Billing Period from and including the date on which the Start Date Notice is given, deliver a billing statement to the Emitter (each, a **"T&S Billing Statement"**) in relation to the previous T&S Billing Period.
- 10.16 Subject to Condition 10.17, each T&S Billing Statement issued after the date on which the Start Date Notice is given shall be delivered to the Emitter no later than seven (7) Business Days after the end of the relevant T&S Billing Period.
- 10.17 If not previously the subject of a T&S Billing Statement, the first (1st) Billing Statement in relation to a T&S Billing Period on or after the date on which the Start Date Notice is given shall commence on the Start Date and end on the last day of the Month in which the ICC Contract Counterparty notifies the Emitter pursuant to the OCP Response Notice or Further OCP Response Notice (as relevant) that it has determined that all of the Operational Conditions Precedent have been satisfied or waived in accordance with Condition 3.28 (*Waiver of Conditions Precedent and Default*) and/or Condition 3.39 (*Waiver of Subsidy Control Declaration Operational CP*) (as applicable).

Contents of T&S Billing Statement

- 10.18 Each T&S Billing Statement shall set out or identify:

Identification information

- (A) the T&S Billing Period or other period to which the T&S Billing Statement relates;
- (B) the name of the Emitter (or a unique identifier attributed to the Emitter by the ICC Contract Counterparty);
- (C) the details of the Installation (or a unique identifier attributed to the Installation by the ICC Contract Counterparty);

T&S Payment calculation

- (D) in respect of each T&S Billing Statement issued on or after the date on which the Start Date Notice is given:
 - (i) the Metered CO₂ Output to T&S for each Settlement Unit falling within the relevant T&S Billing Period;
 - (ii) if applicable, the duration of each Full Capture Outage Event in each Settlement Unit falling within the relevant T&S Billing Period in which one or more Full Capture Outage Event occurs and the corresponding Deemed CO₂ Storage Rate and Deemed CO₂ Output to T&S for each such Settlement Unit;
 - (iii) the T&S Capacity Fee for the relevant T&S Billing Period;
 - (iv) the T&S Capacity Fee Charging Rate in respect of each Settlement Unit falling within the relevant T&S Billings Period;

- (v) the T&S Residual Fee for the relevant T&S Billing Period;
- (vi) the T&S Residual Fee Charging Rate in respect of each Settlement Unit falling within the relevant T&S Billing Period;
- (vii) the T&S Volumetric Fee in respect of each Settlement Unit falling within the relevant T&S Billing Period; and
- (viii) the T&S Volumetric Fee Charging Rate in respect of each Settlement Unit falling within the relevant T&S Billing Period;

Additional components

- (E) any T&S Reconciliation Amounts;
- (F) any T&S Compensatory Interest Amount;

T&S Net Payable Amount

- (G) the T&S Net Payable Amount in respect of the relevant T&S Billing Period or other period to which the T&S Billing Statement relates; and

Set Off Amount

- (H) any amount set off against the T&S Net Payable Amount pursuant to Condition 3.42 (*Set-Off of Previous Subsidy*), Condition 23.8 (*Set-Off of Supply Chain Report Fees*) or Condition 25.15 (*Set Off of Other Subsidy*).

Calculation of T&S Reconciliation Amounts

10.19 The **"T&S Reconciliation Amounts"** shall, in respect of each T&S Billing Period (or such other period prior to the Start Date in respect of which an T&S Billing Statement is issued), comprise any revisions to the T&S Net Payable Amount in respect of any preceding T&S Billing Period (or any other prior period in respect of which a T&S Billing Statement was issued) which are required to reflect:

- (A) the resolution of any Metering Disputes;
- (B) any amount payable pursuant to:
 - (i) Condition 8.16 (*Failure to give an Opex Costs Early Reopener Notice*), Condition 18.2 (*Failure to comply with compliance of technology undertaking*), Condition 19.9 (*Failure to remedy Metering Obligation breach*), Condition 19.12 (*Failure to comply with Metering Schematic Obligation*), Condition 19.18 (*Failure to provide Metering Access Right*), Condition 19.23 (*Failure to comply with Automated Data Systems Obligations*), Condition 20.10 (*Failure to comply with Minimum CO₂ Capture Rate Obligation: Suspension*), Condition 21.5 (*Suspension of Payments (Failure to provide CO₂ Metering Data)*), Condition 22.5 (*Suspension of Payments (Failure to provide Full Capture Outage Event Notification)*), Condition 22.12 (*Failure to provide Full Capture Outage Event Access Right*), Condition 24.14 (*Failure to submit a Carbon Intensity Report: Suspension*) or Condition 35.15 (*Failure to comply with T&S Prolonged Unavailability Procedure Obligation: Suspension*); or
 - (ii) Conditions 25.6 (*Suspension of Payments*), 25.9 (*Suspension of Payments (Failure to Provide Information)*) or 25.12 (*Waiver of Emitter's Obligation to Repay Subsidy, State aid and/or Union Funding*); and

- (C) the correction of any error in any previous T&S Billing Statement.

Calculation of T&S Compensatory Interest Amount

10.20 The **"T&S Compensatory Interest Amount"** shall, in respect of each T&S Billing Period (or such other period prior to the Start Date in respect of which a T&S Billing Statement is issued), comprise interest due and payable in relation to each T&S Reconciliation Amount reflected in the T&S Billing Statement for the relevant T&S Billing Period or such other period (an **"T&S Reconciliation Billing Period"**), calculated on the basis that interest on each T&S Reconciliation Amount shall accrue on such amount at the T&S Compensatory Interest Rate for the period from (and including):

- (A) the relevant Settlement Unit(s) in the T&S Billing Period to which a Metering Dispute relates in respect of any T&S Reconciliation Amount resulting from the resolution of a Metering Dispute; and
- (B) the relevant Settlement Unit(s) in the T&S Billing Period to which any adjustment to correct any error in any previous T&S Billing Statement relates in respect of any T&S Reconciliation Amount to correct such an error (or if such T&S Reconciliation Amount to correct such error was included in a T&S Billing Statement issued prior to the Start Date, the date of the prior T&S Billing Statement in which such error was included),

to the final Settlement Unit in the relevant T&S Reconciliation Billing Period. For this purpose: (i) interest shall accrue on such amounts from day to day and shall be calculated on the basis of the actual number of days elapsed and a year of 365 days; and (ii) the **"T&S Compensatory Interest Rate"** shall be the prevailing Base Rate on each day during the relevant calculation period.

Calculation of T&S Net Payable Amount

10.21 The **"T&S Net Payable Amount"** shall, in respect of each T&S Billing Period (or such other period prior to the Start Date in respect of which a T&S Billing Statement is issued), be an amount (*expressed in pounds*) calculated in accordance with the following formula:

$$T\&S\ Net\ Payable\ Amount = T\&S_m + T\&SRA + T\&SCIA$$

where

| | | |
|-----------|---|--|
| $T\&S_m$ | = | is the Monthly T&S Payment in respect of such T&S Billing Period; |
| $T\&SRA$ | = | is any T&S Reconciliation Amount in respect of such T&S Billing Period (or such other period to which the T&S Billing Statement relates); and |
| $T\&SCIA$ | = | is any T&S Compensatory Interest Amount in respect of such T&S Billing Period (or such other period to which the T&S Billing Statement relates), |

and if such amount is:

- (i) positive, it shall represent an amount payable by the ICC Contract Counterparty to the Emitter; or
- (ii) negative, it shall represent an amount payable by the Emitter to the ICC Contract Counterparty.

11. SETTLEMENT

Payment from Emitter

- 11.1 If the CP Net Payable Amount is a negative number, no later than the end of the tenth (10th) Business Day following the delivery of the relevant Capex Payment Billing Statement, the Emitter shall pay to the ICC Contract Counterparty the absolute value of the CP Net Payable Amount in Sterling by direct bank transfer or equivalent transfer of immediately available funds into the account notified to the Emitter pursuant to Condition 15.1(A).
- 11.2 If the OP Net Payable Amount is a negative number, no later than the end of the tenth (10th) Business Day following the delivery of the relevant Opex Payment Billing Statement, the Emitter shall pay to the ICC Contract Counterparty the absolute value of the OP Net Payable Amount in Sterling by direct bank transfer or equivalent transfer of immediately available funds into the account notified to the Emitter pursuant to Condition 15.1(A).
- 11.3 If the T&S Net Payable Amount is a negative number, no later than the end of the tenth (10th) Business Day following the delivery of the relevant T&S Billing Statement, the Emitter shall pay to the ICC Contract Counterparty the absolute value of the T&S Net Payable Amount in Sterling by direct bank transfer or equivalent transfer of immediately available funds into the account notified to the Emitter pursuant to Condition 15.1(A).

Payment from ICC Contract Counterparty

- 11.4 Subject to Condition 3.42 (*Set-Off of Previous Subsidy*) and Condition 25.15 (*Set-Off of Other Subsidy*), no later than twenty-eight (28) calendar days following the relevant Billing Period to which the:
- (A) Capex Payment Billing Statement relates, if the CP Net Payable Amount is a positive number, the ICC Contract Counterparty shall pay to the Emitter the CP Net Payable Amount in relation to the relevant CP Billing Period in accordance with the Capex Payment Billing Statement;
 - (B) Opex Payment Billing Statement relates, if the OP Net Payable Amount is a positive number, the ICC Contract Counterparty shall pay to the Emitter the OP Net Payable Amount in relation to the relevant OP Billing Period in accordance with the Opex Payment Billing Statement; and
 - (C) T&S Billing Statement relates, if the T&S Net Payable Amount is a positive number, the ICC Contract Counterparty shall pay to the Emitter the T&S Net Payable Amount in relation to the relevant T&S Billing Period in accordance with the T&S Billing Statement,

such payments shall be made in Sterling by direct bank transfer or equivalent transfer of immediately available funds into the account notified to the ICC Contract Counterparty pursuant to Condition 15.1(B).

Billing Statement Disputes

- 11.5 Conditions 11.1 to 11.4 (inclusive) shall apply notwithstanding any dispute with respect to any Billing Statement and, if a Party wishes to dispute any amount shown in a Billing Statement, it shall give a notice to the other Party (a "**Billing Statement Dispute Notice**") which shall:
- (A) specify the Billing Statement(s) to which the Dispute relates;
 - (B) specify the name of the Emitter (or the unique identifier attributed to the Emitter by the ICC Contract Counterparty);

- (C) specify the name of the Installation (or the unique identifier attributed to the Installation by the ICC Contract Counterparty);
 - (D) specify the Billing Statement items to which the Dispute relates;
 - (E) specify the amount in dispute and the apportionment of such amount in relation to the relevant Billing Statement items;
 - (F) include details of any other Billing Statement dispute which the referring Party considers should be consolidated with or joined to the dispute;
 - (G) specify the position the Party considers is correct and the Party's reasons for that position;
 - (H) include copies of any Supporting Information on which the referring Party intends to rely; and
 - (I) include any other Information that the Party deems relevant in relation to the dispute.
- 11.6 The making of a payment pursuant to Condition 11.1, 11.2, 11.3 or 11.4 shall not prevent a Party from raising a dispute pursuant to Condition 11.5.

CO₂ Metering Dispute¹²⁸

- 11.7 If a dispute or part of a dispute pursuant to Condition 11.5 relates to the calculation of the Achieved CO₂ Capture Rate, the Achieved CO₂ Storage Rate and/or the Metered CO₂ Output to T&S in respect of a Settlement Unit (a "**CO₂ Metering Dispute**"):
- (A) such CO₂ Metering Dispute shall be resolved in accordance with the Dispute Resolution Procedure (except for those provisions of the Dispute Resolution Procedure which are expressly stated not to apply to CO₂ Metering Disputes);
 - (B) such CO₂ Metering Dispute must be brought by the Party before the Metering Dispute Deadline in relation to all Settlement Units to which the CO₂ Metering Dispute relates;
 - (C) the Parties shall continue to comply with their obligations under the ICC Contract notwithstanding such CO₂ Metering Dispute;
 - (D) the final determination of the CO₂ Metering Dispute in accordance with the Dispute Resolution Procedure (except for those provisions of the Dispute Resolution Procedure which are expressly stated not to apply to CO₂ Metering Disputes) shall be binding on the Parties; and
 - (E) neither Party shall dispute or attempt to dispute a final determination made in accordance with the Dispute Resolution Procedure (except for those provisions of the Dispute Resolution Procedure which are expressly stated not to apply to CO₂ Metering Disputes).

12. DEFAULT INTEREST

Calculation of Default Interest

¹²⁸ Note to Reader: The dispute resolution procedure for CO₂ Metering Disputes is subject to change as industry codes and procedures are established and developed.

- 12.1 **"Default Interest"** as applied for any period (a **"calculation period"**) shall be calculated as follows:

$$\prod_{i=1}^D (1 + BR_i + 5\%)^{\frac{1}{365}}$$

where:

- i = is a series of whole numbers from one (1) to "D" each representing the relevant day in chronological order from, and including, the first (1st) day in such calculation period;
- D = is the number of days in such calculation period; and
- BR_i = is the prevailing Base Rate on the relevant day in the calculation period.

"Base Rate" means the prevailing Base Rate on the relevant day in the calculation period.

Application of Default Interest

- 12.2 Subject to Conditions 12.4, 12.5 and 65 (*Costs*), if either Party fails to pay any sum payable by it pursuant to the ICC Contract (including any amounts payable under any Arbitral Award or Expert determination) on the due date for payment, Default Interest shall accrue on that sum for the period from the due date for payment to the date of actual payment of that sum (after as well as before award or judgment).
- 12.3 The right to receive Default Interest pursuant to the ICC Contract (and as calculated in accordance with this Condition 12 (*Default Interest*)) is not exclusive of any rights and remedies provided by law in respect of the failure to pay the relevant sum on the due date or at all, provided that the Late Payment of Commercial Debts (Interest) Act 1988 shall not apply in respect of any unpaid sum due pursuant to the ICC Contract.
- 12.4 Default Interest shall be payable by the ICC Contract Counterparty only in circumstances in which the ICC Contract Counterparty is in breach of Condition 55.2, 55.3 or 55.4 (*ICC Contract Counterparty payment undertakings*), but not otherwise.
- 12.5 Subject to Condition 12.4, no Default Interest shall be payable by one Party to the other Party in relation to a Reconciliation Amount in respect of the period during which a Compensatory Interest Amount has accrued and been calculated pursuant to Condition 10.6 or Condition 10.13, except that Default Interest shall accrue in respect of any Compensatory Interest Amount (and the Reconciliation Amount to which it relates) if and to the extent that such Compensatory Interest Amount has accrued and become due and payable and has not been paid.
13. **SET-OFF**
- Each Party may set off any matured obligations due by the other Party pursuant to the ICC Contract against any matured obligation owed by that Party to the other Party pursuant to the ICC Contract.

14. **DEDUCTIONS AND WITHHOLDINGS**

Subject to Condition 13 (*Set-off*), all payments required to be made by the Emitter pursuant to the ICC Contract shall be made in full, free and clear of any right of set-off and from any restriction, condition or deduction because of any counterclaim.

15. **PAYMENT ACCOUNTS**

15.1 Any payments made pursuant to or in connection with the ICC Contract and made to:

- (A) the ICC Contract Counterparty shall be made to such account as may be notified to the Emitter by the ICC Contract Counterparty from time to time; and
- (B) the Emitter shall be made to such account in the United Kingdom as may be notified to the ICC Contract Counterparty by the Emitter from time to time.

Part 6
Representations, warranties and undertakings

16. EMITTER REPRESENTATIONS AND WARRANTIES

Agreement Date representations

16.1 The Emitter represents and warrants to the ICC Contract Counterparty that, as at the Agreement Date, the following statements are true, accurate and not misleading:

- (A) *Status:* The Emitter:
 - (i) is duly formed and validly existing under the laws of its jurisdiction of formation; and
 - (ii) has the power to own its assets and carry on its business as it is currently being conducted and as contemplated by the ICC Contract, the other ICC Documents and the Grant Funding Agreement.
- (B) *Power and authority:* The Emitter has the power to enter into, deliver and perform, and has taken all necessary action to authorise its entry into, delivery and performance of, the ICC Contract, the other ICC Documents and the Grant Funding Agreement (including the obligations of the Emitter, and the transactions contemplated by or provided for by the ICC Contract and the other ICC Documents).
- (C) *Enforceability:* The obligations expressed to be assumed by the Emitter pursuant to the ICC Contract, the other ICC Documents and the Grant Funding Agreement are legal, valid, binding and enforceable subject only to the Legal Reservations.
- (D) *Non-conflict with other obligations:* The entry into, delivery and performance by the Emitter of, and the transactions contemplated by, the ICC Contract, the other ICC Documents and the Grant Funding Agreement does not conflict with:
 - (i) its constitutional documents;
 - (ii) any Law or Directive applicable to it to an extent or in a manner which has or is reasonably expected to have a Material Adverse Effect;
 - (iii) any Required Authorisations to an extent or in a manner which has or is reasonably expected to have a Material Adverse Effect; or
 - (iv) any agreement or instrument binding upon it or any of its assets to an extent or in a manner which has or is reasonably expected to have a Material Adverse Effect.
- (E) *Required Authorisations:*
 - (i) All Required Authorisations which are required to be obtained or effected by the Emitter on or before the date on which this representation and warranty is made or deemed to be repeated by the Emitter have been obtained or effected by the Emitter and are in full force and effect, save to the extent that failure to do so has not had and is not reasonably expected to have a Material Adverse Effect.
 - (ii) All conditions of, and all obligations and liabilities under, Required Authorisations which are required to be performed, complied with or satisfied by the Emitter on or before the date on which this representation and warranty is made or deemed

to be repeated by the Emitter have been performed, complied with or satisfied, save where failure to do so has not had and is not reasonably expected to have a Material Adverse Effect.

- (F) *No Default*: No Default with respect to the Emitter has occurred and is continuing or might reasonably be expected to result from its entry into or performance of the ICC Contract, any of the other ICC Documents or the Grant Funding Agreement.
- (G) *No litigation*: No litigation, arbitration or administrative suit or proceeding, adjudication, expert determination, Tax claim or Tax investigation against the Emitter (or, so far as the Emitter is aware, relating to the Project) is:
 - (i) current;
 - (ii) pending before any court, arbitral or other tribunal, administrative or regulatory body or, as the case may be, expert; or
 - (iii) so far as the Emitter is aware, by reason of receipt of a formal written notice before action or similar, threatened,
 and which, if adversely determined, would have or would reasonably be expected to have a Material Adverse Effect.
- (H) *No requirement to deduct or withhold*: The Emitter is not required by any Law or Directive applicable to it, as applied, interpreted or modified by the published practice of any relevant Competent Authority of any jurisdiction in which it is resident for Tax purposes, to make any deduction or withholding for or on account of any Tax from any payment to be made by it to the ICC Contract Counterparty pursuant to the ICC Contract, any of the other ICC Documents or the Grant Funding Agreement.
- (I) *CO₂ capture*: As far as the Emitter is aware (having made all due and careful enquiries), the CO₂ captured by the Capture Plant and transferred to a T&S Network will be permanently stored.

Start Date representation

- 16.2 The Emitter represents and warrants to the ICC Contract Counterparty that, as at and from the Start Date, the following statements are true, accurate and not misleading:
 - (A) *Ownership*: The Emitter is the legal and beneficial owner of the Installation, subject only to such rights and benefits as have been assigned by way of security to or in favour of any Lender, Affected Person or parent undertaking of the Emitter (or an agent or security trustee on its behalf) in accordance with Condition 63 (*Transfers*).
 - (B) *Compliance of technology*: The industrial technology deployed by the Installation is the Industrial Installation Technology and the capture technology deployed by the Installation is the Installation Capture Technology.

Repeating representations

- 16.3 The Emitter Repeating Representations are deemed to be repeated by the Emitter on the Start Date in each case by reference to the facts and circumstances then existing.

17. ICC CONTRACT COUNTERPARTY REPRESENTATIONS AND WARRANTIES

- 17.1 The ICC Contract Counterparty represents and warrants to the Emitter that as at the Agreement Date, the following statements are true, accurate and not misleading:

- (A) *Status*: The ICC Contract Counterparty:
 - (i) is a limited liability company, duly incorporated and validly existing pursuant to the laws of England and Wales; and
 - (ii) has the power to own its assets and carry on its business as contemplated by the ICC Contract and the other ICC Documents.
 - (B) *Power and authority*: The ICC Contract Counterparty has the power to enter into, deliver and perform, and has taken all necessary action to authorise its entry into, delivery and performance of, the ICC Contract and the other ICC Documents (including the obligations of the ICC Contract Counterparty, and the transactions contemplated by or provided for by the ICC Contract and the other ICC Documents).
 - (C) *Enforceability*: The obligations expressed to be assumed by the ICC Contract Counterparty pursuant to the ICC Contract and the other ICC Documents are legal, valid, binding and enforceable subject only to the Legal Reservations.
 - (D) *Non-conflict with other obligations*: The entry into, delivery and performance by the ICC Contract Counterparty of the ICC Contract and the other ICC Documents does not conflict with:
 - (i) its constitutional documents;
 - (ii) any Law or Directive applicable to it to an extent or in a manner which has or is reasonably expected to have a Material Adverse Effect;
 - (iii) any authorisation, licence, accreditation, permit, consent, certificate, resolution, clearance, exemption, order, confirmation or other approval of or from any Competent Authority required to enable it to perform and comply with its obligations under the ICC Contract and the other ICC Documents to which it is a party, to an extent or in a manner which has or is reasonably expected to have a Material Adverse Effect; or
 - (iv) any agreement or instrument binding upon it or any of its assets to an extent or in a manner which has or is reasonably expected to have a Material Adverse Effect.
 - (E) *No requirement to deduct or withhold*: The ICC Contract Counterparty is not required by any Law or Directive applicable to it, as applied, interpreted or modified by the published practice of any relevant Competent Authority of any jurisdiction in which it is resident for Tax purposes, to make any deduction or withholding for or on account of any Tax from any payment to be made by it to the Issuer pursuant to the ICC Contract or any of the other ICC Documents.
- 17.2 The representations in Conditions 17.1(A) to 17.1(D) are deemed to be repeated by the ICC Contract Counterparty on the Start Date in each case by reference to the facts and circumstances then existing.
18. **EMITTER UNDERTAKINGS: GENERAL**
- 18.1 The Issuer undertakes to the ICC Contract Counterparty as follows:
- (A) *Compliance with Laws and Directives*: The Issuer shall at all times comply with all Laws and Directives to which it may be subject if failure to do so would have or would reasonably be expected to have a Material Adverse Effect.

- (B) *Required Authorisations*: The Emitter shall: (i) promptly obtain all Required Authorisations; (ii) at all times perform, comply with and satisfy all conditions of, and all obligations and liabilities under, all Required Authorisations; and (iii) do all that is necessary to maintain in full force and effect all Required Authorisations, to the extent, in each case, that failure to do so would have or would reasonably be expected to have a Material Adverse Effect.
- (C) *Industry Documents*: The Emitter shall at all times comply with all terms of those Industry Documents to which it is a party or by which it is bound if failure to do so would have or would reasonably be expected to have a Material Adverse Effect.
- (D) *No insolvency action*: The Emitter shall not petition, apply for, institute, support or vote for the administration, winding-up or liquidation of the ICC Contract Counterparty or seek any other relief as against the ICC Contract Counterparty under any administration, insolvency or bankruptcy law or similar law affecting creditors' rights generally.
- (E) *Ownership*: The Emitter shall at all times be the legal and beneficial owner of the Installation, subject only to any third party rights arising by reason of any security interest created or subsisting over or in respect of the Installation.
- (F) *Compliance of technology*: The Emitter shall at all times ensure that the industrial technology deployed by the Installation is the Industrial Installation Technology and the capture technology deployed by the Installation is the Installation Capture Technology, provided that (without prejudice to any other provision of the ICC Contract) this provision shall not prevent the operation of the Industrial Installation in unabated mode.
- (G) *Notification*: The Emitter shall:
 - (i) provide the ICC Contract Counterparty as soon as reasonably practicable with such Information regarding compliance or non-compliance by the Emitter with the undertakings in this Condition 18.1 as the ICC Contract Counterparty may reasonably request; and
 - (ii) give notice to the ICC Contract Counterparty as soon as reasonably practicable upon becoming aware of the occurrence of any Default (together with details of the steps, if any, being taken to remedy it).

Failure to comply with compliance of technology undertaking

18.2 If the Emitter fails to comply with Condition 18.1(F), the ICC Contract Counterparty:

- (A) may withhold payment of any amounts which would otherwise be payable by the ICC Contract Counterparty to the Emitter which are attributable to the period during which the Emitter is not in compliance with such Condition; and
- (B) shall be entitled to recover from the Emitter any amounts paid by the ICC Contract Counterparty to the Emitter which are attributable to the period during which the Emitter is not in compliance with such Condition.

19. EMITTER UNDERTAKINGS: METERING

Undertakings: CO₂ Metering Obligation

19.1 With effect from the Start Date, the Emitter undertakes to the ICC Contract Counterparty to:

- (A) ensure that at all times the CO₂ Metering Equipment relating to the Installation:

- (i) has been installed at the metering point(s) identified in the ICC Agreement;
 - (ii) has been and is installed, configured, registered, operated and maintained in accordance with the requirements of the CO₂ Metering Specification, including to ensure that captured CO₂ which fails to comply with the Delivery CO₂ Quality Standards is not exported to a T&S Network;
 - (iii) is configured exclusively in relation to the Installation and no other CO₂ output is metered through such meters; and
 - (iv) is operational and capable of measuring accurately the CO₂ output from the Installation at the CO₂ T&S Network Delivery Point(s) and, if applicable, the CO₂ Usage Delivery Point(s);
- (B) ensure that at all times the captured CO₂ from the Installation complies with the Delivery CO₂ Quality Standards; and
- (C) investigate any fault or issue with the CO₂ Metering Equipment of which it is notified by the ICC Contract Counterparty or which it is required to investigate pursuant to *[insert relevant code(s)]*,¹²⁹

(each a **"CO₂ Metering Obligation"** and together the **"CO₂ Metering Obligations"**).¹³⁰

[Undertakings: Capture Plant Metering Obligation

19.2 With effect from the Start Date, the Emitter undertakes to the ICC Contract Counterparty to:

- (A) ensure that at all times the Capture Plant Metering Equipment relating to the Industrial Installation:
- (i) has been installed at the metering point(s) identified in the ICC Agreement;
 - (ii) has been installed, configured, registered, operated and maintained in accordance with the requirements of the Capture Plant Metering Specification;
 - (iii) is configured exclusively in relation to the Industrial Installation and no CO₂ generated by any other installation is metered through such meters; and
 - (iv) is operational and capable of measuring accurately the flue gas or process gas (as applicable) containing CO₂ from the Installation at the Capture Plant Delivery Point(s); and
- (B) investigate any fault or issue with the Capture Plant Metering Equipment of which it is notified by the ICC Contract Counterparty or which it is required to investigate pursuant to the *[insert relevant code(s)]*,¹³¹

(each a **"Capture Plant Metering Obligation"** and together the **"Capture Plant Metering Obligations"**).¹³²

Notification of Metering Obligation breach

¹²⁹ Note to Reader: BEIS to confirm the relevant codes.

¹³⁰ Note to Reader: If there is a calculations methodology in relation to CO₂ metering then a new undertaking will be included.

¹³¹ Note to Reader: BEIS to confirm the relevant codes.

¹³² Note to Reader: BEIS is considering whether pre-capture plant CO₂ will be metered.

- 19.3 The ICC Contract Counterparty may at any time submit a notice to the Emitter (a **"Metering Breach Notice"**) if it considers that the Emitter is in breach of a Metering Obligation. A Metering Breach Notice shall:
- (A) specify which Metering Obligation the ICC Contract Counterparty considers that the Emitter has breached; and
 - (B) be accompanied by such Supporting Information as the ICC Contract Counterparty considers necessary to evidence the breach of the Metering Obligation.

Response to notification of Metering Obligation breach

- 19.4 No later than ten (10) Business Days after receipt of a Metering Breach Notice (a **"Metering Breach Response Notice Period"**), the Emitter shall investigate whether it is in breach of the relevant Metering Obligation and submit a notice to the ICC Contract Counterparty (a **"Metering Breach Response Notice"**). A Metering Breach Response Notice shall state that either:
- (A) the Emitter accepts that there has been a breach of the Metering Obligation (and, in such case, the notice shall include confirmation of the date from which the Emitter accepts that there has been a breach of the relevant Metering Obligation); or
 - (B) the Emitter does not accept that there has been a breach of the Metering Obligation.
- 19.5 If:
- (A) the Emitter submits a Metering Breach Response Notice in accordance with Condition 19.4, the provisions of Condition 19.6 shall apply; or
 - (B) the Emitter fails to submit a Metering Breach Response Notice within the Metering Breach Response Notice Period or submits a Metering Breach Response Notice in accordance with Condition 19.4(B), the Expert Determination Procedure shall apply to determine whether there has been a breach of the Metering Obligation and if the Expert Determination Procedure applied pursuant to this Condition 19.5(B) determines that:
 - (i) there has not been a breach of the Metering Obligation, then neither Party shall be required to take any further steps in relation to the Metering Breach Notice; or
 - (ii) there has been a breach of the Metering Obligation, the provisions of Condition 19.6 shall apply.

Rectification of Metering Obligation breach

- 19.6 If this Condition 19.6 applies:
- (A) the Emitter shall provide a copy of a Metering Remediation Plan to the ICC Contract Counterparty no later than fifteen (15) Business Days after the later of: (i) the expiry of the Metering Breach Response Notice Period; and (ii) the date on which an Expert makes a determination in accordance with Condition 19.5(B)(ii) (as applicable);

- (B) as soon as reasonably practicable after the date referred to in paragraph (A) above and in any event no later than sixty (60) Business Days after [●]¹³³ has approved the Metering Remediation Plan, the Emitter shall:
- (i) implement the Metering Remediation Plan and remedy the breach of the Metering Obligation; and
 - (ii) provide the ICC Contract Counterparty with written confirmation that:
 - (a) in the case of a breach of a CO₂ Metering Obligation, that the breach of the CO₂ Metering Obligation has been remedied to the satisfaction of [●]¹³⁴; and
 - (b) [in the case of a breach of a Capture Plant Metering Obligation, that the breach of the Capture Plant Metering Obligation has been remedied to the satisfaction of [●]]^{135 136}; and
- (C) the Emitter shall submit a notice to the ICC Contract Counterparty confirming the fulfilment of its obligations pursuant to Condition 19.6(B) no later than five (5) Business Days after remedying the breach and in any event no later than sixty (60) Business Days after [●]¹³⁷ has approved the Metering Remediation Plan (an **"Emitter Metering Remediation Notice"**) together with such Supporting Information as is reasonably necessary to evidence that the breach has been remedied.
- 19.7 The ICC Contract Counterparty may, by notice to the Emitter no later than twenty (20) Business Days after receipt of an Emitter Metering Remediation Notice, require the Emitter to provide such Supporting Information in relation to that Emitter Metering Remediation Notice (an **"Emitter Metering Remediation Notice Information Request"**) as the ICC Contract Counterparty reasonably requests.
- 19.8 If the ICC Contract Counterparty issues an Emitter Metering Remediation Notice Information Request, the Emitter shall, no later than twenty (20) Business Days, or such longer period as is specified by the ICC Contract Counterparty, after receipt of the request, prepare and deliver such further Supporting Information to the ICC Contract Counterparty.

Failure to remedy Metering Obligation breach

- 19.9 If the Emitter has not complied with its obligations under Condition 19.6 or 19.8, then a **"Technical Compliance Termination Event"** will be deemed to have occurred.

Undertakings: Metering Schematics

- 19.10 If there is a Material Change to the Installation Metering Equipment, then the Emitter shall:
- (A) notify the ICC Contract Counterparty as soon as reasonably practicable and in any event no later than two (2) Business Days after the Material Change occurs, setting out details of the Material Change that has been effected (a **"Metering Schematic Obligation Notice"**); and

¹³³ Note to Reader: To be confirmed.

¹³⁴ Note to Reader: The relevant company to approve a remediation plan in respect of a breach of the CO₂ Metering Obligation is to be confirmed

¹³⁵ Note to Reader: The relevant company to approve a remediation plan in respect of a breach of the Capture Plant Metering Obligation is to be confirmed.

¹³⁶ Note to Reader: BEIS is considering whether pre-capture plant CO₂ will be metered.

¹³⁷ Note to Reader: To be confirmed.

- (B) provide an updated version of the relevant schematic diagram referred to in paragraph 2(E) or 3(B) of Part B of Annex 1 (*Conditions Precedent*) (as applicable) and Supporting Information including any technical datasheets relating to the Installation Metering Equipment as soon as reasonably practicable and in any event no later than ten (10) Business Days after the Material Change occurs,

(the **"Metering Schematic Obligation"**).

19.11 Any:

- (A) Metering Schematic Obligation Notice shall be accompanied by a Directors' Certificate in relation to the details of the Material Change referred to in the Metering Schematic Obligation Notice; and
- (B) copy of the relevant schematic diagram provided pursuant to Condition 19.10(B) shall be accompanied by a Directors' Certificate in relation to the relevant schematic diagram and Supporting Information (including the date of such diagram and the version number thereof).

Failure to comply with Metering Schematic Obligation

- 19.12 If the Emitter is in breach of the Metering Schematic Obligation, the ICC Contract Counterparty may elect to suspend any Payments which would otherwise be payable by the ICC Contract Counterparty to the Emitter in any period during which the Emitter is in breach of the Metering Schematic Obligation, provided that, prior to effecting any such suspension, the ICC Contract Counterparty shall notify the Emitter of: (i) its intention to suspend such Payments; and (ii) the date from which it proposes to effect such suspension.
- 19.13 If the Emitter subsequently complies with its Metering Schematic Obligation, then the ICC Contract Counterparty shall pay any amounts to the Emitter which would have been payable but for the operation of Condition 19.12. The ICC Contract Counterparty may elect to make such payment on a lump sum, staged or daily basis. No Compensatory Interest or Default Interest shall be payable in respect of any amount payable pursuant to this Condition 19.13.

Undertakings: Access to and testing of meters

- 19.14 With effect from the Start Date, the Emitter shall grant (or, if the Emitter is not the [Registrant]¹³⁸ of the Installation Metering Equipment, shall procure that the [Registrant] grants) the ICC Contract Counterparty (and any and all persons nominated by the ICC Contract Counterparty and considered by the ICC Contract Counterparty to be suitably qualified) access to the Installation, the Installation Metering Equipment and to such plant, property or assets owned, occupied or controlled by the Emitter (or the [Registrant] if the Emitter is not the [Registrant] of the Installation Metering Equipment) and to which the Emitter (or the [Registrant] if the Emitter is not the [Registrant] of the Installation Metering Equipment) can lawfully grant access as may be reasonably necessary for the ICC Contract Counterparty to read, test or verify the Installation Metering Equipment and inspect and conduct tests in respect of the Installation Metering Equipment from time to time (the **"Metering Access Right"**).
- 19.15 If the ICC Contract Counterparty intends to exercise the Metering Access Right it shall give a notice to the Emitter (a **"Metering Inspection Notice"**). A Metering Inspection Notice shall:

¹³⁸ Note to Reader: To be confirmed whether there will be a "Registrant" in relation to the Installation Metering Equipment.

- (i) specify that the ICC Contract Counterparty (or suitably qualified persons nominated by it in accordance with Condition 19.14) intends to exercise the Metering Access Right; and
- (ii) specify the date by which the Emitter must, in accordance with Condition 19.16, permit the exercise of the Metering Access Right.

19.16 If the Emitter:

- (A) is the [Registrant] of the Installation Metering Equipment, it shall permit the ICC Contract Counterparty to exercise the Metering Access Right no later than the later of: (i) ten (10) Business Days after receipt of the Metering Inspection Notice; and (ii) the date specified in the Metering Inspection Notice; and
- (B) is not the [Registrant] of the Installation Metering Equipment, it shall procure that the ICC Contract Counterparty is permitted to exercise the Metering Access Right no later than the later of: (i) fifteen (15) Business Days after receipt of the Metering Inspection Notice; and (ii) the date specified in the Metering Inspection Notice.

19.17 The ICC Contract Counterparty shall (and shall procure that any suitably qualified persons nominated by it in accordance with Condition 19.14 shall):

- (A) take or refrain from taking all such other action as may be reasonably required by the Emitter in order to comply with health and safety rules relating to the Installation; and
- (B) obtain each authorisation, licence, accreditation, permit, consent, certificate, resolution, clearance, exemption, order confirmation, permission or other approval of or from a Competent Authority that is necessary for it to exercise the Metering Access Right.

Failure to provide Metering Access Right

19.18 If the Emitter is in breach of its obligation to permit the ICC Contract Counterparty to exercise the Metering Access Right, the ICC Contract Counterparty may elect to suspend any Payments which would otherwise be payable by the ICC Contract Counterparty to the Emitter in any period during which the Emitter is in breach of such obligation, provided that, prior to effecting any such suspension, the ICC Contract Counterparty shall notify the Emitter of: (i) its intention to suspend such Payments; and (ii) the date from which it proposes to effect such suspension.

19.19 If the Emitter subsequently complies with its obligation to permit the ICC Contract Counterparty to exercise the Metering Access Right, then the ICC Contract Counterparty shall pay any amounts to the Emitter which would have been payable but for the operation of Condition 19.18. The ICC Contract Counterparty may elect to make such payment on a lump sum, staged or daily basis. No Compensatory Interest or Default Interest shall be payable in respect of any amount payable pursuant to this Condition 19.19.

19.20 If the Emitter:

- (A) fails to comply with its obligations under Condition 19.16; and
- (B) has not permitted the ICC Contract Counterparty to exercise its Metering Access Right within twenty (20) Business Days following the latest permitted date for compliance with its obligations pursuant to Condition 19.16(A) or 19.16(B) (as applicable),

then a **"Metering Access Termination Event"** will be deemed to have occurred.

Metering Access Right costs

- 19.21 If, pursuant to or as a result of the exercise of the Metering Access Right, it is agreed or determined that there has been a breach of a Metering Obligation, the Emitter shall promptly on demand from time to time, indemnify the ICC Contract Counterparty, and keep the ICC Contract Counterparty fully and effectively indemnified, against any and all out-of-pocket costs properly incurred by the ICC Contract Counterparty in exercising the Metering Access Right.

[Undertakings: Automated Data Systems]

- 19.22 With effect from the Start Date, the Emitter shall ensure that:

- (A) an Automated Data System is installed, and maintained at the Capture Plant in accordance with the Reasonable and Prudent Standard; and
- (B) the ICC Contract Counterparty has full access to all Information from the Automated Data System (including live operational data) via a data communications link or other applicable data-link as agreed between the Parties (such agreement not to be unreasonably withheld or delayed by the Emitter),

(each an **"Automated Data Systems Obligation"** and together the **"Automated Data Systems Obligations"**).

Failure to comply with Automated Data Systems Obligations

- 19.23 If the Emitter is in breach of an Automated Data Systems Obligation, the ICC Contract Counterparty may elect to suspend any Payments which would otherwise be payable by the ICC Contract Counterparty to the Emitter in any period during which the Emitter is in breach of the Automated Data Systems Obligation, provided that, prior to effecting any such suspension, the ICC Contract Counterparty shall notify the Emitter of: (i) its intention to suspend such Payments; and (ii) the date from which it proposes to effect such suspension.
- 19.24 If the Emitter subsequently complies with such Automated Data Systems Obligation, then the ICC Contract Counterparty shall pay any amounts to the Emitter which would have been payable but for the operation of Condition 19.23. The ICC Contract Counterparty may elect to make such payment on a lump sum, staged or daily basis. No Compensatory Interest or Default Interest shall be payable in respect of any amount payable pursuant to this Condition 19.24.]¹³⁹

20. EMITTER UNDERTAKING: MINIMUM CO₂ CAPTURE RATE

Undertaking: Minimum CO₂ Capture Rate

- 20.1 With effect from the Start Date, the Emitter undertakes to the ICC Contract Counterparty that for each Billing Period, the Average Achieved CO₂ Capture Rate, determined in accordance with limb (D) of the definition of **"Calculation Period"**, will be equal to or greater than the Minimum CO₂ Capture Rate (a **"Minimum CO₂ Capture Rate Obligation"**).

Notification of Minimum CO₂ Capture Rate Obligation breach

- 20.2 If the Emitter is in breach of the Minimum CO₂ Capture Rate Obligation for either three (3) consecutive Billing Periods or three (3) non-consecutive Billing Periods within six (6) consecutive Billing Periods (a **"Minimum CO₂ Capture Rate Breach"**), then the ICC Contract Counterparty may at any time following the occurrence of such breach, give notice to the Emitter (a **"Capture Rate Breach Notice"**). A Capture Rate Breach Notice shall:

¹³⁹ Note to Reader: This Condition is subject to further review by BEIS.

- (A) specify the Capture Rate Breach Deadline, being the date on and from which the ICC Contract Counterparty may, subject to the remainder of this Condition 20, give the Emitter a Default Termination Notice in respect of the Minimum CO₂ Capture Rate Breach in accordance with Condition 35.26; and
- (B) be accompanied by such Supporting Information as the ICC Contract Counterparty considers necessary to evidence the Minimum CO₂ Capture Rate Breach.

Response to notification of Minimum CO₂ Capture Rate Obligation breach

- 20.3 No later than twenty (20) Business Days after receipt of the Capture Rate Breach Notice, the Emitter shall submit a notice to the ICC Contract Counterparty (a **"Capture Rate Breach Response Notice"**). A Capture Rate Breach Response Notice shall specify that either:
- (A) the Emitter intends to rectify the Minimum CO₂ Capture Rate Breach by achieving the Minimum CO₂ Capture Rate for three (3) consecutive Billing Periods (a **"Capture Rate Breach Rectification"**) on or before the Capture Rate Breach Deadline; or
 - (B) the Emitter considers that it will not be able to achieve a Capture Rate Breach Rectification on or before the Capture Rate Breach Deadline in which case the notice shall specify the date by which the Emitter considers that it will be able to achieve a Capture Rate Breach Rectification.
- 20.4 If the Emitter fails to submit a Capture Rate Breach Response Notice to the ICC Contract Counterparty in accordance with Condition 20.3, then the Emitter will be deemed to have notified the ICC Contract Counterparty that it intends to achieve a Capture Rate Breach Rectification on or before the Capture Rate Breach Deadline in accordance with Condition 20.3(A).

Rectification of Minimum CO₂ Capture Rate Obligation breach

- 20.5 Unless the Emitter has achieved a Capture Rate Breach Rectification by the date which falls six (6) Months after the date of the Capture Rate Breach Notice (the **"Capture Rate Breach Rectification Plan Deadline"**), the Emitter shall prepare and submit to the ICC Contract Counterparty for approval a draft Capture Rate Breach Rectification Plan (with such Supporting Information as the Emitter considers to be relevant to the content of the Capture Rate Breach Rectification Plan) no later than the Capture Rate Breach Rectification Plan Deadline, during which period the Emitter shall use its best endeavours to mitigate the effects of the Minimum CO₂ Capture Rate Breach.
- 20.6 The ICC Contract Counterparty shall no later than sixty (60) Business Days after receipt of the draft Capture Rate Breach Rectification Plan (and Supporting Information), provide a notice to the Emitter (a **"Capture Rate Breach Rectification Review Notice"**). A Capture Rate Breach Rectification Review Notice shall specify whether the ICC Contract Counterparty considers that the Emitter has or has not satisfied the Capture Rate Breach Rectification Plan Minimum Requirements. If the ICC Contract Counterparty states in the Capture Rate Breach Rectification Review Notice that:
- (A) the Emitter has not satisfied the Capture Rate Breach Rectification Plan Minimum Requirements, then the Emitter shall be deemed not to have submitted a draft Capture Rate Breach Rectification Plan unless and until a resolution or determination to the contrary is made pursuant to the Dispute Resolution Procedure; or
 - (B) the Emitter has satisfied the Capture Rate Breach Rectification Plan Minimum Requirements then:

- (i) if the Emitter has notified the ICC Contract Counterparty under Condition 20.3(A) that it intends to rectify the Minimum CO₂ Capture Rate Breach by achieving a Capture Rate Breach Rectification on or before the Capture Rate Breach Deadline then the draft Capture Rate Breach Rectification Plan shall be deemed to have been approved by the ICC Contract Counterparty, following which the draft Capture Rate Breach Rectification Plan shall become the Approved Capture Rate Breach Rectification Plan; or
- (ii) if the Emitter has notified the ICC Contract Counterparty under Condition 20.3(B) that it will not be able to achieve a Capture Rate Breach Rectification on or before the Capture Rate Breach Deadline, then the ICC Contract Counterparty shall specify whether the ICC Contract Counterparty:
 - (a) approves the draft Capture Rate Breach Rectification Plan without amendment, following which the draft Capture Rate Breach Rectification Plan shall become the Approved Capture Rate Breach Rectification Plan;
 - (b) requires the Emitter to provide additional Supporting Information in relation to the draft Capture Rate Breach Rectification Plan, in order for the ICC Contract Counterparty to determine whether or not to approve such plan;
 - (c) requires amendments to the draft Capture Rate Breach Rectification Plan, in which case the Capture Rate Breach Rectification Review Notice shall provide the Emitter with sufficient detail in relation to such amendments; or
 - (d) in its sole and absolute discretion, rejects the draft Capture Rate Breach Rectification Plan, in which case the Capture Rate Breach Rectification Review Notice shall provide the Emitter with sufficient detail in relation to such rejection and the Emitter agrees and acknowledges that it shall not be entitled to refer any decision made by the ICC Contract Counterparty pursuant to this Condition 20.6(B)(ii)(d) to the Dispute Resolution Procedure.

20.7 The Emitter shall submit to the ICC Contract Counterparty:

- (A) no later than fifteen (15) Business Days after receipt of a Capture Rate Breach Rectification Review Notice:
 - (i) if Condition 20.6(B)(ii)(b) applies, the relevant additional Supporting Information specified in the Capture Rate Breach Rectification Review Notice; or
 - (ii) if Condition 20.6(B)(ii)(c) applies, an amended draft Capture Rate Breach Rectification Plan which includes the amendments specified in the Capture Rate Breach Rectification Review Notice; or
- (B) no later than six (6) Months after receipt of a Capture Rate Breach Rectification Review Notice if Condition 20.6(B)(ii)(d) applies, an amended draft Capture Rate Breach Rectification Plan,

following which Conditions 20.5 and 20.6 shall then reapply, provided that:

- (i) the ICC Contract Counterparty shall not be required to review more than three (3) Capture Rate Breach Rectification Plans; and

- (ii) the ICC Contract Counterparty shall not be required to review a Capture Rate Breach Rectification Plan submitted after the date which is twelve (12) Months after the date of the Capture Rate Breach Notice.

20.8 If either Condition 20.6(B)(i) or Condition 20.6(B)(ii)(a) applies:

- (A) as soon as reasonably practicable after receipt of the Capture Rate Breach Rectification Review Notice, and in any event no later than sixty (60) Business Days after such date, the Emitter shall commence the implementation of the Approved Capture Rate Breach Rectification Plan, and the Emitter shall continue to implement the Approved Capture Rate Breach Rectification Plan in accordance with its terms in order to remedy the Minimum CO₂ Capture Rate Breach; and
- (B) the Emitter shall notify the ICC Contract Counterparty in writing no later than five (5) Business Days following the date on which the Emitter fully implements the Approved Capture Rate Breach Rectification Plan in accordance with its terms in order to achieve a Capture Rate Breach Rectification (an "**Emitter Capture Rate Breach Remediation Notice**"), together with such Supporting Information as is reasonably necessary to evidence that the breach has been remedied.

Failure to remedy Minimum CO₂ Capture Rate Obligation breach

20.9 If:

- (A) subject to limb (B), the Emitter fails to achieve a Capture Rate Breach Rectification by the Capture Rate Breach Deadline; or
- (B) Condition 20.6(B)(ii)(a) applies and either:
 - (i) the Emitter fails to achieve a Capture Rate Breach Rectification by the date agreed by the ICC Contract Counterparty in the Approved Capture Rate Breach Rectification Plan; or
 - (ii) at and/or following the Capture Rate Breach Deadline the Emitter has failed to commence the implementation of and/or continue to implement an Approved Capture Rate Breach Rectification Plan in accordance with its terms in order to achieve a Capture Rate Breach Rectification,

then a "**Capture Rate Termination Event**" will be deemed to have occurred.

Failure to comply with Minimum CO₂ Capture Rate Obligation: Suspension

20.10 Without prejudice to Conditions 20.1 to 20.9, if the Emitter has not achieved a Capture Rate Breach Rectification by the Capture Rate Breach Rectification Plan Deadline and the Emitter either:

- (A) fails to submit a Capture Rate Breach Rectification Plan (with such Supporting Information as the Emitter considers to be relevant to the content of the Capture Rate Breach Rectification Plan) by the Capture Rate Breach Rectification Plan Deadline; or
- (B) submits a draft Capture Rate Breach Rectification Plan by the Capture Rate Breach Rectification Plan Deadline but such Capture Rate Breach Rectification Plan does not meet the Capture Rate Breach Rectification Plan Minimum Requirements,

then the ICC Contract Counterparty may at any time following the Capture Rate Breach Rectification Plan Deadline, elect to suspend any Payments which would otherwise be payable by the ICC Contract Counterparty to the Emitter in any period during which the Emitter is in

breach of such obligation, provided that, prior to effecting any such suspension, the ICC Contract Counterparty shall notify the Emitter of: (i) its intention to suspend such Payments; and (ii) the date from which it proposes to effect such suspension.

20.11 If the Emitter either:

- (A) evidences to the satisfaction of the ICC Contract Counterparty that it has achieved a Capture Rate Breach Rectification by the Capture Rate Breach Deadline; or
- (B) submits a draft Capture Rate Breach Rectification Plan that is approved by the ICC Contract Counterparty pursuant to Condition 20.6(B)(i) or 20.6(B)(ii)(a) (notwithstanding that such plan is submitted to the ICC Contract Counterparty following the Capture Rate Breach Rectification Plan Deadline),

then the ICC Contract Counterparty shall pay any amounts to the Emitter which would have been payable but for the operation of Condition 20.10. The ICC Contract Counterparty may elect to make such payment on a lump sum, staged or daily basis. No Compensatory Interest or Default Interest shall be payable in respect of any amounts payable to the Emitter pursuant to this Condition 20.11.

20.12 Any evidence provided by the Emitter to the ICC Contract Counterparty pursuant to Condition 20.11 shall be accompanied by a Directors' Certificate in respect of such evidence.

Relief due to Force Majeure and Capture Outage Relief Event

20.13 The Emitter shall be relieved from liability, and deemed not to be in breach of the Minimum CO₂ Capture Rate Obligation and/or Condition 20.9 (*Failure to remedy Minimum CO₂ Capture Rate Obligation breach*), for any failure or delay in the performance of such obligations if and to the extent such failure or delay is directly attributable to the occurrence and continuance of either:

- (A) Force Majeure in respect of which the Emitter is the FM Affected Party but only to the extent that the Emitter has satisfied the requirements and conditions of Condition 53 (*Force Majeure*); or
- (B) a Capture Outage Relief Event which directly affects the ability of the Emitter to achieve a Capture Rate Breach Rectification.

21. EMITTER UNDERTAKING: METERING DATA

Notification of Metering Data

21.1 With effect from the Start Date, the Emitter undertakes to the ICC Contract Counterparty to:

- (A) submit CO₂ Metering Data to the ICC Contract Counterparty, together with Supporting Information in a form and content satisfactory to the ICC Contract Counterparty (acting reasonably) and with the frequency that the CO₂ Metering Data is required to be provided in accordance with [*a methodology and framework to be determined*];¹⁴⁰
- (B) ensure that all CO₂ Metering Data provided by or on behalf of the Emitter pursuant to Condition 21.1(A) is true, complete and accurate in all material respects and is not misleading;

¹⁴⁰ Note to Reader: The methodology and framework for CO₂ Metering Data declarations is to be determined.

- (C) if the Emitter becomes aware at any time that any CO₂ Metering Data (and/or Supporting Information) submitted pursuant to Condition 21.1(A) was not true, complete and accurate in all material respects and/or was misleading as at the date of submission, promptly:
 - (i) notify the ICC Contract Counterparty of the relevant error(s); and
 - (ii) provide the ICC Contract Counterparty with updated CO₂ Metering Data and Supporting Information which is true, complete and accurate in all material respects and is not misleading (the **"Revised CO₂ Metering Data"**), together with a Directors' Certificate and Supporting Information in relation to such data; and
 - (D) if the ICC Contract Counterparty notifies the Emitter that the ICC Contract Counterparty considers that any CO₂ Metering Data (and/or Supporting Information) submitted pursuant to Condition 21.1(A) was not true, complete and accurate in all material respects and/or was misleading as at the date of submission, promptly investigate such issue and provide the ICC Contract Counterparty with Revised CO₂ Metering Data together with a Directors' Certificate and Supporting Information in relation to such data,
- (each, a **"CO₂ Metering Data Obligation"** and together the **"CO₂ Metering Data Obligations"**).

Notification by ICC Contract Counterparty of CO₂ Metering Data Obligation breach

- 21.2 The ICC Contract Counterparty may at any time give a notice to the Emitter (an **"ICC Contract Counterparty CO₂ Metering Data Breach Notice"**) if it considers that the Emitter is in breach of a CO₂ Metering Data Obligation. An ICC Contract Counterparty CO₂ Metering Data Breach Notice shall:
- (A) specify which CO₂ Metering Data Obligation the ICC Contract Counterparty considers that the Emitter has breached; and
 - (B) be accompanied by such Supporting Information as the ICC Contract Counterparty considers necessary to evidence the breach of the CO₂ Metering Data Obligation.

Notification by Emitter of CO₂ Metering Data Obligation breach

- 21.3 The Emitter shall promptly give a notice to the ICC Contract Counterparty (an **"Emitter CO₂ Metering Data Breach Notice"**) if it becomes aware that it is in breach of a CO₂ Metering Data Obligation. An Emitter CO₂ Metering Data Breach Notice shall:
- (A) specify which CO₂ Metering Data Obligation the Emitter considers that it has breached; and
 - (B) be accompanied by such Supporting Information as the Emitter considers to be relevant to evidence the breach of the CO₂ Metering Data Obligation.
- 21.4 Each Emitter CO₂ Metering Data Breach Notice shall be accompanied by a Directors' Certificate in relation to the information contained in, and enclosed with, the Emitter CO₂ Metering Data Breach Notice.

Suspension of Payments (Failure to provide CO₂ Metering Data)

- 21.5 If the Emitter is in breach of a CO₂ Metering Data Obligation, the ICC Contract Counterparty may elect to suspend any Payments which would otherwise be payable by the ICC Contract Counterparty to the Emitter in any period during which the Emitter is in breach of such CO₂

Metering Data Obligation, provided that, prior to effecting any such suspension, the ICC Contract Counterparty shall notify the Emitter of: (i) its intention to suspend any such Payments; and (ii) the date from which it proposes to effect such suspension.

- 21.6 Without prejudice to Condition 21.7, if the Emitter subsequently rectifies the breach of the relevant CO₂ Metering Data Obligation, then the ICC Contract Counterparty shall pay any amounts to the Emitter which would have been payable but for the operation of Condition 21.5. The ICC Contract Counterparty may elect to make such payment on a lump sum, staged or daily basis. No Compensatory Interest or Default Interest shall be payable in respect of any amounts payable to the Emitter pursuant to this Condition 21.6.

Misleading CO₂ Metering Data

- 21.7 If any CO₂ Metering Data provided pursuant to Condition 21.1 is misleading in any respect, or the Emitter's failure to provide CO₂ Metering Data is misleading in any respect, then a **"Misleading CO₂ Metering Data Termination Event"** will be deemed to have occurred.

22. EMITTER UNDERTAKING: NOTIFICATION OF FULL CAPTURE OUTAGES

Notification of Full Capture Outage Events

- 22.1 With effect from the Start Date, the Emitter undertakes to the ICC Contract Counterparty to:
- (A) submit details to the ICC Contract Counterparty of:
 - (i) the start time (*to the nearest minute*) of each Full Capture Outage Event; and
 - (ii) the reason for each such Full Capture Outage Event (including, if applicable, a Capture Outage Relief Event),

in a form and content satisfactory to the ICC Contract Counterparty (acting reasonably) as soon as reasonably practicable and in any event no later than twenty-four (24) hours after the start of each such Full Capture Outage Event (a **"Full Capture Outage Event Start Notification"**);
 - (B) submit details to the ICC Contract Counterparty of the end time (*to the nearest minute*) and the total duration of each Full Capture Outage Event; in a form and content satisfactory to the ICC Contract Counterparty (acting reasonably) as soon as reasonably practicable and in any event no later than twenty-four (24) hours after the end of each such Full Capture Outage Event (a **"Full Capture Outage Event End Notification"** and together with Full Capture Outage Event Start Notifications, **"Full Capture Outage Event Notifications"**);
 - (C) ensure that all Full Capture Outage Event Notifications provided by or on behalf of the Emitter pursuant to Conditions 22.1(A) and 22.1(B) are true, complete and accurate in all material respects and is not misleading;
 - (D) if the Emitter becomes aware at any time that any Full Capture Outage Event Notification submitted pursuant to Condition 22.1(A) or Condition 22.1(B) was not true, complete and accurate in all material respects and/or was misleading as at the date of submission, promptly:
 - (i) notify the ICC Contract Counterparty of the relevant error(s); and
 - (ii) provide the ICC Contract Counterparty with an updated Full Capture Outage Event Notification which is true, complete and accurate in all material respects and is not misleading (the **"Revised Full Capture Outage Event Notification"**),

together with a Directors' Certificate and Supporting Information in relation to such data; and

- (E) if the ICC Contract Counterparty notifies the Emitter that the ICC Contract Counterparty considers that any Full Capture Outage Event Notification or Revised Full Capture Outage Event Notification submitted pursuant to Condition 22.1(A), Condition 22.1(B) or Condition 22.1(D) (as applicable) was not true, complete and accurate in all material respects and/or was misleading as at the date of submission, promptly investigate such issue and provide the ICC Contract Counterparty with a Revised Full Capture Outage Event Notification together with a Directors' Certificate and Supporting Information in relation to such data,

(each, a **"Full Capture Outage Event Notification Obligation"** and together the **"Full Capture Outage Event Notification Obligations"**).

Notification by ICC Contract Counterparty of Full Capture Outage Event Notification Obligation breach

22.2 The ICC Contract Counterparty may at any time give a notice to the Emitter if it considers that the Emitter is in breach of a Full Capture Outage Event Notification Obligation (an **"ICC Contract Counterparty Notification Obligation Breach Notice"**) with such notice to:

- (A) specify which Full Capture Outage Event Notification Obligation the ICC Contract Counterparty considers the Emitter has breached; and
- (B) be accompanied by such Supporting Information as the ICC Contract Counterparty considers necessary to evidence the breach of the Full Capture Outage Event Notification Obligation.

Notification by Emitter of Full Capture Outage Event Notification Obligation breach

22.3 The Emitter shall notify the ICC Contract Counterparty promptly if it becomes aware that it is in breach of a Full Capture Outage Event Notification Obligation (an **"Emitter Notification Obligation Breach Notice"**), with such notice to:

- (A) specify which Full Capture Outage Event Notification Obligation the Emitter considers that it has breached; and
- (B) be accompanied by such Supporting Information as the Emitter considers to be relevant to evidence the breach of the Full Capture Outage Event Notification Obligation.

22.4 Each Emitter Notification Obligation Breach Notice shall be accompanied by a Directors' Certificate in relation to the information contained in, and enclosed with, the Emitter Notification Obligation Breach Notice.

Suspension of Payments (Failure to provide Full Capture Outage Event Notification)

22.5 If the Emitter breaches a Full Capture Outage Event Notification Obligation, the ICC Contract Counterparty may elect to suspend any Payments which would otherwise be payable by the ICC Contract Counterparty to the Emitter in any period during which the Emitter is in breach of such Full Capture Outage Event Notification Obligation, provided that, prior to effecting any such suspension, the ICC Contract Counterparty shall notify the Emitter of: (i) its intention to suspend any such Payments; and (ii) the date from which it proposes to effect such suspension.

22.6 Without prejudice to Condition 22.7, if the Emitter subsequently rectifies the breach of the Full Capture Outage Event Notification Obligation, then the ICC Contract Counterparty shall pay any amounts to the Emitter which would have been payable but for the operation of

Condition 22.5. The ICC Contract Counterparty may elect to make such payment on a lump sum, staged or daily basis. No Compensatory Interest or Default Interest shall be payable in respect of any amounts payable to the Emitter pursuant to this Condition 22.6.

Misleading Full Capture Outage Event Notification

- 22.7 If any Full Capture Outage Event Notification provided pursuant to Condition 22.1(A) Condition 22.1(B) and/or any Revised Full Capture Outage Event Notification provided pursuant to Condition 22.1(D) (as applicable) is misleading in any respect, or the Emitter's failure to provide a Full Capture Outage Event Notification and/or Revised Full Capture Outage Event Notification is misleading in any respect, then a **"Misleading Full Capture Outage Event Notification Termination Event"** will be deemed to have occurred.

Undertaking: Access to and test of Installation

- 22.8 With effect from the Start Date, the Emitter shall grant the ICC Contract Counterparty (and any and all persons nominated by the ICC Contract Counterparty from time to time and considered by the ICC Contract Counterparty to be suitably qualified) access to the Installation and to such plant, property or assets owned, occupied or controlled by the Emitter and to which the Emitter can lawfully grant access as may be reasonably necessary for the ICC Contract Counterparty to read, test or verify any Full Capture Outage Event Notification and/or Revised Full Capture Outage Event Notification (or to test or verify whether the Emitter should have provided a Full Capture Outage Event Notification and/or Revised Full Capture Outage Event Notification where it has failed to do so) and inspect and conduct tests (including CO₂ Capture Tests, with such tests to be carried out in accordance with the Reasonable and Prudent Standard, and in compliance with industry guidelines, practices and standards) in respect of the Full Capture Outage Event Notification and/or Revised Full Capture Outage Event Notification from time to time (the **"Full Capture Outage Event Access Right"**).
- 22.9 If the ICC Contract Counterparty intends to exercise the Full Capture Outage Event Access Right it shall give a notice to the Emitter (a **"Full Capture Outage Event Inspection Notice"**). A Full Capture Outage Event Inspection Notice shall:
- (A) specify that the ICC Contract Counterparty (or suitably qualified persons nominated by it in accordance with Condition 22.8) intends to exercise the Full Capture Outage Event Access Right; and
 - (B) specify the date by which the Emitter must, in accordance with Condition 22.10, permit the exercise of the Full Capture Outage Event Access Right.
- 22.10 The Emitter shall permit the ICC Contract Counterparty to exercise the Full Capture Outage Event Access Right no later than the later of: (i) two (2) Business Days after receipt of the Full Capture Outage Event Inspection Notice; and (ii) the date specified in the Full Capture Outage Event Inspection Notice.
- 22.11 The ICC Contract Counterparty shall (and shall procure that any suitably qualified persons nominated by it in accordance with Condition 22.8 shall):
- (A) take or refrain from taking all such other action as may be reasonably required by the Emitter in order to comply with health and safety rules relating to the Installation; and
 - (B) obtain each authorisation, licence, accreditation, permit, consent, certificate, resolution, clearance, exemption, order confirmation, permission or other approval of or from a Competent Authority that is necessary for it to exercise the Full Capture Outage Event Access Right.

Failure to provide Full Capture Outage Event Access Right

- 22.12 If the Emitter is in breach of its obligation to permit the ICC Contract Counterparty to exercise the Full Capture Outage Event Access Right, the ICC Contract Counterparty may elect to suspend any Payments which would otherwise be payable by the ICC Contract Counterparty to the Emitter in any period during which the Emitter is in breach of such obligation, provided that, prior to effecting any such suspension, the ICC Contract Counterparty shall notify the Emitter of: (i) its intention to suspend such Payments; and (ii) the date from which it proposes to effect such suspension.
- 22.13 If the Emitter subsequently complies with its obligation to permit the ICC Contract Counterparty to exercise the Full Capture Outage Event Access Right, then the ICC Contract Counterparty shall pay any amounts to the Emitter which would have been payable but for the operation of Condition 22.12. The ICC Contract Counterparty may elect to make such payment on a lump sum, staged or daily basis. No Compensatory Interest or Default Interest shall be payable in respect of any amount payable pursuant to this Condition 22.13.
- 22.14 If the Emitter:
- (A) fails to comply with its obligations under Condition 22.10 to permit the ICC Contract Counterparty to exercise the Full Capture Outage Event Access Right; and
 - (B) has not permitted the ICC Contract Counterparty to exercise its Full Capture Outage Event Access Right within four (4) Business Days of the date of the Full Capture Outage Event Inspection Notice,

then a **"Full Capture Outage Event Access Termination Event"** will be deemed to have occurred.

Full Capture Outage Event Access Right costs

- 22.15 If, pursuant to or as a result of the exercise of the Full Capture Outage Event Access Right, it is agreed or determined that there has been a breach of a Full Capture Outage Event Notification Obligation, the Emitter shall promptly on demand from time to time, indemnify the ICC Contract Counterparty, and keep the ICC Contract Counterparty fully and effectively indemnified, against any and all out-of-pocket costs properly incurred by the ICC Contract Counterparty in exercising the Full Capture Outage Event Access Right.

23. EMITTER UNDERTAKING: SUPPLY CHAIN REPORTING¹⁴¹***Supply Chain Report***

- 23.1 The Emitter shall provide the ICC Contract Counterparty with a Supply Chain Report (together with such Supporting Information as the Emitter considers to be relevant to the content of the Supply Chain Report):
- (A) no earlier than six (6) Months prior to the Milestone Delivery Date and no later than the Milestone Delivery Date;
 - (B) no earlier than six (6) Months prior to the third (3rd) anniversary of the Start Date and no later than the third (3rd) anniversary of the Start Date; and

¹⁴¹ Note to Reader: Procedure in relation to supply chain reporting subject to further review.

- (C) no earlier than six (6) Months prior to the seventh (7th) anniversary of the Start Date and no later than the seventh (7th) anniversary of the Start Date,

(each a **"Supply Chain Report Deadline"** and together the **"Supply Chain Report Deadlines"**).

- 23.2 Each Supply Chain Report shall be accompanied by a Directors' Certificate in relation to the information contained in, and enclosed with, the Supply Chain Report.
- 23.3 The Emitter acknowledges and agrees that each Supply Chain Report shall be provided by the ICC Contract Counterparty to the Secretary of State.
- 23.4 The ICC Contract Counterparty shall, no later than twenty (20) Business Days after each Supply Chain Report Deadline, give a notice to the Emitter (a **"Supply Chain Report Response Notice"**). A Supply Chain Report Response Notice shall specify whether the Emitter has or has not submitted a Supply Chain Report which complies with the requirements set out in Annex 7 (*Form of Supply Chain Report*).
- 23.5 If the ICC Contract Counterparty states in a Supply Chain Report Response Notice that:
- (A) the Supply Chain Report complies with the requirements set out in Annex 7 (*Form of Supply Chain Report*), then such Supply Chain Report shall be deemed to be approved by the ICC Contract Counterparty as a valid Supply Chain Report; or
 - (B) the:
 - (i) Supply Chain Report does not comply with the requirements set out in Annex 7 (*Form of Supply Chain Report*) and is therefore not a valid Supply Chain Report; or
 - (ii) Emitter has failed to submit a valid Supply Chain Report by the relevant Supply Chain Report Deadline,
- then the Supply Chain Report Fees shall be payable by the Emitter in respect of the Emitter's failure to provide the ICC Contract Counterparty with the relevant Supply Chain Report.

Payment of Supply Chain Report Fees

- 23.6 Subject to Condition 25.6, if Condition 23.5(B) applies, the Emitter shall pay the Supply Chain Report Fees in respect of the relevant Supply Chain Report to the ICC Contract Counterparty within thirty (30) Business Days of the date of the relevant Supply Chain Report Fee being incurred, provided that if at any time after the relevant Supply Chain Report Deadline the Emitter submits the relevant Supply Chain Report to the ICC Contract Counterparty which the ICC Contract Counterparty subsequently confirms under Condition 23.5(A) complies with the requirements of Annex 7 (*Form of Supply Chain Report*), then no further Supply Chain Report Fees shall be payable by the Emitter in relation to such Supply Chain Report.
- 23.7 Any Supply Chain Report Fees that accrue prior to the Start Date shall not be due and payable by the Emitter unless and until the Start Date has occurred, except to the extent that any amounts become due and payable by the ICC Counterparty to the Emitter prior to the Start Date whereby such Supply Chain Report Fees shall become due and payable.

Set-Off of Supply Chain Report Fees

- 23.8 Without prejudice to the generality of Condition 13 (Set-off), the ICC Contract Counterparty may set off any Supply Chain Report Fees that are due and payable by the Emitter against any amounts that are due and payable to the Emitter under the ICC Contract.

24. **EMITTER UNDERTAKING: EXCESSIVE CARBON CREATION**

Undertakings: Carbon Intensity Report

- 24.1 With effect from the Start Date, the Emitter shall, by no later than 31 March of each calendar year (the "**Carbon Intensity Report Deadline**"), submit to the ICC Contract Counterparty a report in form and content satisfactory to the ICC Contract Counterparty (acting reasonably), which shall include, as a minimum, the following:

- (A) the Carbon Intensity Data for each Month for the immediately preceding calendar year (or, in respect of the calendar year in which the Start Date occurs, the period from the Start Date to 31 December in such calendar year);
- (B) a historical comparison of the annual Carbon Intensity Data for the immediately preceding five (5) calendar years, together with an explanation for any fluctuations and/or variances between each calendar year;
- (C) a comparison of the Carbon Intensity Data for the Industrial Installation against the Carbon Intensity Data for the Emitter's original design of the Industrial Installation (including heat and material balances); and
- (D) if the Emitter has changed its fuel during the previous calendar year, an analysis of and the rationale for, the change in fuel,

(a "**Carbon Intensity Report**") together with:

- (i) a written confirmation from the Emitter that there has not been Excessive Carbon Creation; and
- (ii) such Supporting Information as the Emitter considers to be relevant to the content of the Carbon Intensity Report.

- 24.2 Each Carbon Intensity Report shall be accompanied by:

- (A) a Directors' Certificate; and
- (B) a Carbon Intensity Auditor's Certificate,

in relation to the information contained in, and enclosed with, the Carbon Intensity Report.

- 24.3 The ICC Contract Counterparty shall, no later than thirty (30) Business Days after receipt of a Carbon Intensity Report, give a notice to the Emitter (a "**Carbon Intensity Report Response Notice**"). A Carbon Intensity Report Response Notice shall specify whether the ICC Contract Counterparty:

- (A) agrees with the Carbon Intensity Data contained in the Carbon Intensity Report and the confirmation from the Emitter that there has not been Excessive Carbon Creation;
- (B) does not agree with the Carbon Intensity Data contained in the Carbon Intensity Report and/or the confirmation from the Emitter that there has not been Excessive Carbon Creation, giving reasons; or

- (C) requires the Emitter to provide additional Supporting Information in relation to the Carbon Intensity Report in order for the ICC Contract Counterparty to determine whether it agrees with the Carbon Intensity Data contained in the Carbon Intensity Report and/or the confirmation from the Emitter that there has not been Excessive Carbon Creation, and, if so, details of the additional Supporting Information which the ICC Contract Counterparty requires (the **"Carbon Intensity Report Supporting Information"**).
- 24.4 If the ICC Contract Counterparty states in the Carbon Intensity Report Response Notice that it requires the Emitter to provide the Carbon Intensity Report Supporting Information then:
- (A) the Emitter shall provide the Carbon Intensity Report Supporting Information, together with a Directors' Certificate in relation to such Carbon Intensity Report Supporting Information, as soon as reasonably practicable, and in any event no later than thirty (30) Business Days of the date of the Carbon Intensity Report Response Notice, or such longer period as is specified by the ICC Contract Counterparty; and
 - (B) no later than thirty (30) Business Days after receipt of such Carbon Intensity Report Supporting Information, the ICC Contract Counterparty shall give a further Carbon Intensity Report Response Notice to the Emitter (a **"Further Carbon Intensity Report Response Notice"**). A Further Carbon Intensity Report Response Notice shall specify whether or not the ICC Contract Counterparty agrees with the Carbon Intensity Data contained in the Carbon Intensity Report and/or the confirmation from the Emitter that there has not been Excessive Carbon Creation.
- 24.5 Nothing in Conditions 24.3 and 24.4 (*Undertakings: Carbon Intensity Report*) shall require the ICC Contract Counterparty to specify in any Carbon Intensity Report Response Notice or Further Carbon Intensity Report Response Notice that it agrees with the Carbon Intensity Data contained in a Carbon Intensity Report or the confirmation from the Emitter that there has not been Excessive Carbon Creation, unless and until the ICC Contract Counterparty is satisfied of the same.

Carbon Intensity Audit Right

- 24.6 With effect from the Start Date, the Emitter shall grant the ICC Contract Counterparty (and any and all persons nominated by the ICC Contract Counterparty which the ICC Contract Counterparty considers to be suitably qualified, including the Auditors) access in accordance with Conditions 24.7 to 24.9 to:
- (A) (i) the Installation; and (ii) any plant, machinery, property, processing or storage facility associated with the Installation, in each case owned, occupied or controlled by the Emitter and to which the Emitter can lawfully grant access; and
 - (B) the Emitter's personnel, systems, books, records and any other information,
- in each case as the ICC Contract Counterparty considers reasonably necessary for the ICC Contract Counterparty to assess the Emitter's compliance with Condition 24.1 (the **"Carbon Intensity Audit Right"**).
- 24.7 If the ICC Contract Counterparty intends to exercise its Carbon Intensity Audit Right, it shall give written notice to the Emitter (a **"Carbon Intensity Audit Notice"**). A Carbon Intensity Audit Notice shall:
- (A) specify that the ICC Contract Counterparty (or any suitably qualified persons nominated by it under Condition 24.6) intends to exercise the Carbon Intensity Audit Right; and

- (B) specify a date and time during regular office hours by which the Emitter must, in accordance with Condition 24.6, permit the exercise of the Carbon Intensity Audit Right.
- 24.8 On receipt of the Carbon Intensity Audit Notice, the Emitter shall permit the ICC Contract Counterparty to exercise the Carbon Intensity Audit Right at such time as the ICC Contract Counterparty may nominate provided that it is no earlier than one (1) Business Day after the Emitter's receipt of the Carbon Intensity Audit Notice.
- 24.9 The Emitter shall cooperate and provide, and shall procure that any Representatives cooperate and provide, all required access, assistance and information to enable the ICC Contract Counterparty to exercise its Carbon Intensity Audit Right.
- 24.10 The Emitter shall reimburse the ICC Contract Counterparty for all out-of-pocket costs, expenses and fees incurred by the ICC Contract Counterparty arising out of or in connection with exercising the Carbon Intensity Audit Right.

Carbon Intensity Termination Event

- 24.11 If:
 - (A) a Carbon Intensity Report is misleading in any respect; and/or
 - (B) it is agreed, or determined in accordance with the Dispute Resolution Procedure, that Excessive Carbon Creation has occurred,
 then a **"Carbon Intensity Termination Event"** will be deemed to have occurred.

Failure to submit a Carbon Intensity Report: Suspension

- 24.12 If the Emitter fails to submit a Carbon Intensity Report by the Carbon Intensity Report Deadline in accordance with Condition 24.1 and 24.2, the ICC Contract Counterparty shall give a notice to the Emitter (a **"Carbon Intensity Report Non-Compliance Notice"**). A Carbon Intensity Report Non-Compliance Notice shall:
 - (A) notify the Emitter that it has failed to submit a Carbon Intensity Report by the Carbon Intensity Report Deadline in accordance with Condition 24.1 and 24.2; and
 - (B) specify the date on and from which the ICC Contract Counterparty may suspend payments in accordance with Condition 24.14, being the date which falls thirty (30) Business Days after the date of the Carbon Intensity Report Non-Compliance Notice.
- 24.13 If the Emitter submits a Carbon Intensity Report to the ICC Contract Counterparty by the date which is thirty (30) Business Days from the date of the Carbon Intensity Report Non-Compliance Notice, Conditions 24.3 to 24.5 shall apply.
- 24.14 If:
 - (A) Condition 24.12 applies and the Emitter fails to submit a Carbon Intensity Report by the date which is thirty (30) Business Days of the date of the Carbon Intensity Report Non-Compliance Notice; or
 - (B) the ICC Contract Counterparty states in a Carbon Intensity Report Response Notice that it requires Carbon Intensity Report Supporting Information to be provided and the Emitter fails to provide such Carbon Intensity Report Supporting Information, together with a Directors' Certificate in relation to such Carbon Intensity Report Supporting Information, within thirty (30) Business Days of the date of such Carbon Intensity Report

Response Notice, or such longer period as is specified by the ICC Contract Counterparty,

then without prejudice to Condition 24.11 the ICC Contract Counterparty may elect to suspend any Payments which would otherwise be payable by the ICC Contract Counterparty to the Emitter in any period during which the Emitter is in breach of such obligation, provided that, prior to effecting any such suspension, the ICC Contract Counterparty shall notify the Emitter of: (i) its intention to suspend such Payments; and (ii) the date from which it proposes to effect such suspension.

- 24.15 If the Emitter subsequently complies with its obligation to submit a Carbon Intensity Report in accordance with Conditions 24.1 and 24.2, then the ICC Contract Counterparty shall pay any amounts to the Emitter which would have been payable but for the operation of Condition 24.14. The ICC Contract Counterparty may elect to make such payment on a lump sum, staged or daily basis. No Compensatory Interest or Default Interest shall be payable in respect of any amount payable pursuant to this Condition 24.15.

25. EMITTER UNDERTAKINGS: INFORMATION PROVISION AND NO CUMULATION OF SUBSIDY, STATE AID AND/OR UNION FUNDING

Provision of Information to the ICC Contract Counterparty

- 25.1 In addition and without prejudice to its obligations under Condition 3.7 (*Operational Conditions Precedent: General Reporting Obligations*), Condition 4.8 (*Difficulties in achieving the Milestone Requirement*), Condition 18.1 (*Emitter undertakings: General*) and Condition 53.5 (*Provision of Force Majeure information*), the Emitter, acting in accordance with the Reasonable and Prudent Standard, shall provide the ICC Contract Counterparty (and, if requested by the ICC Contract Counterparty, the ICC Contract Settlement Services Provider) with:

- (A) the Emitter's estimate of:
 - (i) the expected Start Date;
 - (ii) the Achieved CO₂ Capture Rate, the Achieved CO₂ Storage Rate, the CO₂ Capture Factor, the Metered CO₂ Output, the Metered CO₂ Output to T&S, the Metered CO₂ Input, the Metered CO₂ Input from Industrial Installation and [any other information to be determined]¹⁴² as at the Start Date; and
 - (iii) the commissioning profile of the Installation,

each such estimate to be provided on the Agreement Date and at monthly intervals thereafter;

- (B) where stated in the ICC Agreement to be applicable, a copy of a valid CHPQA Certificate certified as being correct and up to date by a director of the Emitter, with such certificate to be provided as soon as reasonably practicable and no later than ten (10) Business Days after the Start Date and at annual intervals thereafter;
- (C) where stated in the ICC Agreement to be applicable, evidence (including Supporting Information), in form and content satisfactory to the ICC Contract Counterparty (acting reasonably), of the thermal and/or electrical energy output of the Industrial Installation which has been supplied to one (1) or more Eligible Industrial Installation(s) in the preceding twelve (12) consecutive Months during the Term as an aggregate percentage of the total thermal and/or electrical energy output of the Industrial Installation in such

¹⁴² Note to Reader: This Condition is subject to further review by BEIS.

period, such evidence to be provided as soon as reasonably practicable and no later than twenty (20) Business Days after the Start Date and at annual intervals thereafter;

- (D) all Information requested by the ICC Contract Counterparty to comply with its obligations under the ICC Contract (including the ICC Contract Settlement Required Information), such Information to be provided as soon as reasonably practicable, and no later than five (5) Business Days (or, if such Information is not within the possession of the Emitter, no later than ten (10) Business Days) or such longer period as is specified by the ICC Contract Counterparty, after the Information is requested;
- (E) all Information relating to the T&S Fees (including any invoice provided by the T&S Operator to the Emitter), such Information to be provided as soon as reasonably practicable, and no later than three (3) Business Days after the T&S Operator has notified the Emitter of the same;
- (F) the Forecast Data, such Forecast Data to be provided:
 - (i) no later than ten (10) Business Days after the Agreement Date, for the period from the projected Start Date to the following 31 March and in respect of each Month (or part of a Month) during such period (but only if the Start Date is projected to occur before the following 31 March);
 - (ii) not later than 31 January in each year (or, in relation to the first (1st) such forecast, and if the Agreement Date is after 31 January, no later than ten (10) Business Days after the Agreement Date) for the twelve (12) Month period commencing on 01 April in the following year in respect of each Month (or part of a Month) during such period, provided that either:
 - (a) such period commences after the Start Date; or
 - (b) the Start Date is projected to occur during such period; and
 - (iii) not later than six (6) Months prior to the expected Start Date (as provided by the Emitter at intervals in accordance with Condition 25.1(A)(i)), for the twelve (12) Month period commencing on the expected Start Date; and
 - (iv) not later than five (5) Business Days prior to the first (1st) day of each Month after the Start Date in respect of:
 - (a) the next Month; and
 - (b) any other Months in respect of which the Emitter has previously provided forecasts to the ICC Contract Counterparty (but only if any of the Emitter's forecasts have changed);
- (G) notification of the occurrence of any event or circumstance which will or is reasonably likely to affect significantly the:
 - (i) Achieved CO₂ Capture Rate;
 - (ii) Achieved CO₂ Storage Rate;
 - (iii) CO₂ Capture Factor;
 - (iv) Metered CO₂ Input (including a breakdown of the relevant components therein)
 - (v) Metered CO₂ Output (including a breakdown of the relevant components therein);

- (vi) Actual Annual Capture Factor;
- (vii) Carbon Intensity Data;
- (viii) T&S Fees; and
- (ix) *[any other information to be determined]*,

together with Supporting Information in respect of the reasons for such event or circumstance and the impact on (i) to [(vii)], such notification to be provided as soon as reasonably practicable, and no later than five (5) Business Days after the Emitter has become aware of such an event or circumstance;

- (H) all Information reasonably requested by the ICC Contract Counterparty regarding the financial condition, business or operations of the Emitter to enable or assist the ICC Contract Counterparty to fulfil the ICC Contract Counterparty Permitted Purposes, such Information to be provided as soon as soon as reasonably practicable and no later than ten (10) Business Days, or such longer period as is specified by the ICC Contract Counterparty, after such Information is requested;
- (I) all Information reasonably requested by the ICC Contract Counterparty for the purposes of: (i) compiling and evaluating statistics relating to the outcomes of the ICC Contract and the CCUS Programme and the impact of the CCUS Programme across a range of social and economic factors; and (ii) publishing material relating thereto, including announcements and reports describing the general outcomes, merits and achievements relating to the CCUS Programme, such Information to be provided as soon as soon as reasonably practicable and no later than ten (10) Business Days, or such longer period as is specified by the ICC Contract Counterparty, after such Information is requested;
- (J) as soon as reasonably practicable upon request, all Information reasonably requested by the ICC Contract Counterparty for the purposes of assessing compliance by the Emitter with the Metering Obligations;
- (K) as soon as reasonably practicable upon becoming aware of them, the details of any litigation, arbitration or administrative suit or proceeding, adjudication, expert determination, Tax claim, or Tax investigation against the Emitter which is current; pending before any court, arbitral or other tribunal, administrative or regulatory body or, as the case may be, expert; or, so far as the Emitter is aware, for which a formal written notice before action or similar threatening such suit or proceedings has been received and which, if adversely determined, would have or would be reasonably likely to have a Material Adverse Effect;
- (L) the Expected Installation Data, such Expected Installation Data to be provided:
 - (i) no later than two (2) Months after the Agreement Date;
 - (ii) no later than two (2) Months after the Milestone Delivery Date;
 - (iii) no later than the 31 January in each year during the Term, starting with the year after the year in which the Milestone Delivery Date falls,

except that where the Expected Installation Data has not changed significantly since the last submission by the Emitter to the ICC Contract Counterparty of the Achieved CO₂ Capture Rate, the Achieved CO₂ Storage Rate, the Metered CO₂ Input and/or the Metered CO₂ Output, the Emitter is not required to resubmit the Expected Installation

Data but must submit to the ICC Contract Counterparty a written confirmation, in form and content satisfactory to the ICC Contract Counterparty (acting reasonably), that such information has not changed significantly since the last submission;

- (iv) as soon as reasonably practicable and in any event no later than ten (10) Business Days after the Emitter has become aware of the occurrence of any event or circumstance which will, or is reasonably likely to, significantly affect the accuracy of the Expected Installation Data last submitted; and
- (v) as soon as reasonably practicable and in any event no later than ten (10) Business Days after receipt of a written request by the ICC Contract Counterparty; and
- (M) as soon as reasonably practicable, all Information (kept to the Reasonable and Prudent Standard) reasonably requested that represents the status and progress of the Project to date against contractual and Project milestones, showing the critical path of the Project towards these milestones up to the delivery of the OCP Notice relating to the fulfilment of the final Operational Condition Precedent.

Forecast Data

25.2 For the purposes of Condition 25.1(F), the "**Forecast Data**" means:

- (A) the Achieved CO₂ Capture Rate;
- (B) the Achieved CO₂ Storage Rate;
- (C) the CO₂ Capture Factor;
- (D) the Metered CO₂ Output (including a breakdown input of the relevant components therein);
- (E) the Metered CO₂ Input (including a breakdown input of the relevant components therein);
- (F) the T&S Fees;
- (G) the Carbon Intensity Data;
- (H) *[any other information to be determined]*,¹⁴³

in each case in relation to the period referred to in Condition 25.1(F).

Accuracy of Information

25.3 The Emitter shall ensure that:

- (A) all forecasts, forward-looking statements and data provided by or on behalf of the Emitter pursuant to Condition 25.1 are prepared in good faith, on a reasonable basis and with due care and attention; and
- (B) all other Information provided by or on behalf of the Emitter pursuant to Condition 25.1 is true, complete and accurate in all material respects and is not misleading.

¹⁴³ Note to Reader: This Condition is subject to further review by BEIS.

Warranty: No Cumulation of Subsidy

25.4 The Emitter represents and warrants to the ICC Contract Counterparty that, as at the Start Date, the following statement is true, accurate and not misleading:

- (A) no Subsidy, State aid or Union Funding has been received in relation to the costs of the Project (regardless of whether such subsidy, aid and/or funding is received by the Emitter or by any other person), other than:
 - (i) the subsidy arising under the ICC Contract, the Grant Funding Agreement [and/or any Approved Scheme of Funding]¹⁴⁴; or
 - (ii) any Subsidy, State aid and/or Union Funding notified to the ICC Contract Counterparty in accordance with the process for the satisfaction or waiver of the Subsidy Control Declaration Operational CP.

Undertaking: No cumulation of Subsidy, State aid and/or Union Funding

25.5 With effect from the Subsidy Control Declaration Date, the Emitter undertakes to the ICC Contract Counterparty as follows:

- (A) the Emitter shall at all times ensure that no Subsidy, State aid and/or Union Funding is received in relation to the costs of the Project (regardless of whether such subsidy, aid and/or funding is received by the Emitter or by any other person), other than the subsidy arising under the ICC Contract;
- (B) *Notification*: the Emitter shall:
 - (i) give notice to the ICC Contract Counterparty as soon as reasonably practicable upon becoming aware that any Subsidy, State aid and/or Union Funding has been received in relation to the costs of the Project (regardless of whether such subsidy, aid and/or funding is received by the Emitter or by any other person, or is received before, on or after the Subsidy Control Declaration Date) (other than any Subsidy, State aid and/or Union Funding of the types described at Condition 25.4(A)(i) and 25.4(A)(ii)); and
 - (ii) provide the ICC Contract Counterparty with such Supporting Information regarding compliance or non-compliance by the Emitter with the undertaking in Condition 25.5(A) as the ICC Contract Counterparty reasonably requires, as soon as reasonably practicable and in any event no later than thirty (30) Business Days following receipt of the ICC Contract Counterparty's request. Any Supporting Information provided by an Emitter to the ICC Contract Counterparty under this Condition 25.5(B)(ii) shall be accompanied by a Directors' Certificate in respect of such Supporting Information; and
- (C) *Repayment*: the Emitter shall repay or procure the repayment of any Subsidy, State aid and/or Union Funding which has been received in relation to the costs of the Project (regardless of whether such subsidy, aid and/or funding is received by the Emitter or by any other person or is received before, on or after the Subsidy Control Declaration

¹⁴⁴ Note to Reader: This definition is expected to be relevant if any funding has been provided to the Emitter and/or its Affiliates under the Industrial Energy Transformation Fund and Industrial Decarbonisation Challenge for development/pre-development expenditure incurred in respect of the Project prior to the Agreement Date. Such funding will be notified to, and verified by, BEIS on a project-by-project basis and set out in the ICC Agreement. BEIS is considering whether to refer to any other scheme(s) of funding.

Date) (as adjusted for interest in accordance with Condition 25.11 (*Subsidy Interest*)) to the granter of such subsidy, aid or funding (other than any Subsidy, State aid and/or Union Funding of the types described at Condition 25.4(A)(i) and 25.4(A)(ii).

Suspension of Payments

- 25.6 If the Emitter breaches Condition 25.4 or fails to comply with Condition 25.5(A), the ICC Contract Counterparty shall:
- (A) suspend payment of any amount(s) which would otherwise be payable by the ICC Contract Counterparty to the Emitter, from the date the ICC Contract Counterparty becomes aware that the Emitter has breached or failed to comply with such Condition (or as soon as reasonably practicable thereafter); and
 - (B) notify the Emitter of any suspension as soon as reasonably practicable.
- 25.7 If the Emitter evidences to the satisfaction of the ICC Contract Counterparty that the Subsidy, State aid and/or Union Funding (as adjusted for interest in accordance with Condition 25.11) has been repaid in full to the granter, any suspension under Condition 25.6 shall cease and the ICC Contract Counterparty shall (subject to Condition 25.9, where applicable) pay any amounts to the Emitter which would have been payable but for the operation of Condition 25.6. The ICC Contract Counterparty may elect to make such payment on a lump sum, staged or daily basis. No Compensatory Interest or Default Interest shall be payable in respect of any amounts payable to the Emitter pursuant to this Condition 25.7.
- 25.8 Any evidence provided by the Emitter to the ICC Contract Counterparty pursuant to Condition 25.7 shall be accompanied by a Directors' Certificate in respect of such evidence.

Suspension of Payments (Failure to Provide Information)

- 25.9 If the Emitter fails to comply with Condition 25.5(B)(ii), the ICC Contract Counterparty shall:
- (A) suspend payment of any amount(s) which would otherwise be payable by the ICC Contract Counterparty to the Emitter, from the date the ICC Contract Counterparty becomes aware that the Emitter failed to comply with such Condition (or as soon as reasonably practicable thereafter); and
 - (B) notify the Emitter of any suspension as soon as reasonably practicable.
- 25.10 Subject to Condition 25.6 and 25.15, if the Emitter subsequently provides the ICC Contract Counterparty with the Supporting Information (accompanied by a Directors' Certificate) requested pursuant to Condition 25.5(B)(ii), any suspension under Condition 25.9 shall cease and the ICC Contract Counterparty shall pay any amounts to the Emitter which would have been payable but for the operation of Condition 25.9. The ICC Contract Counterparty may elect to make such payment on a lump sum, staged or daily basis. No Compensatory Interest or Default Interest shall be payable in respect of any amounts payable to the Emitter pursuant to this Condition 25.10.

Subsidy Interest

- 25.11 Interest shall be due and payable in relation to any amount of Subsidy, State aid and/or Union Funding which has been received in relation to the costs of the Project (regardless of whether such subsidy, aid and/or funding is received by the Emitter or any other person), calculated on the basis that interest shall accrue on the outstanding balance of any such amount at the Subsidy Interest Rate from (and including) the date that the Subsidy, State aid and/or Union Funding was received, to (but excluding): (i) the date that the Subsidy, State aid and/or Union

Funding and interest is repaid in full to the granter; or (ii) where Condition 25.16 applies, the date that payments equivalent to the amount of Subsidy, State aid and/or Union Funding and interest are recovered in full; or (iii) where Condition 3.42 (*Set-Off of Previous Subsidy*) or 25.15 (*Set-Off of Other Subsidy*) applies, the date the Subsidy, State aid and/or Union Funding and interest are set off in full. For this purpose:

- (A) interest shall accrue from day to day and shall be calculated on the basis of the actual number of days elapsed and a year of 365 days;
- (B) the "**Subsidy Interest Rate**" shall be either:
 - (i) the interest rate set out in any recovery order issued by a Subsidy Control Competent Authority;
 - (ii) the interest rate determined by the ICC Contract Counterparty in accordance with the Reference Rate Methodology; or
 - (iii) in the case of State aid or Union Funding only, the interest rate that applies to recovery under the relevant State aid or Union Funding scheme, and
- (C) to the extent that interest accrues for more than a year, the Subsidy Interest Rate shall be recalculated on an annual basis by the ICC Contract Counterparty in accordance with the Reference Rate Methodology, and interest shall be compounded annually, so that interest accruing in the previous year shall be subject to interest in any subsequent year.

For the avoidance of doubt, interest pursuant to this Condition 25.11 shall not be due and payable in relation to any subsidy arising under the ICC Contract.

Waiver of Emitter's Obligation to Repay Subsidy, State aid and/or Union Funding

25.12 The ICC Contract Counterparty shall agree by notice to waive the Emitter's obligation under Condition 25.5(C) if the Emitter evidences to the satisfaction of the ICC Contract Counterparty that the granter of such Subsidy, State aid and/or Union Funding refuses or is unable to accept the repayment of the Subsidy, State aid and/or Union Funding (as adjusted for interest in accordance with Condition 25.11), in full or in part. If the Emitter seeks a waiver, the Emitter shall:

- (A) provide the ICC Contract Counterparty with such Supporting Information as the Emitter considers to be relevant to evidence that the granter refuses or is unable to accept repayment in accordance with this Condition; and
- (B) provide the ICC Contract Counterparty with such additional Supporting Information as the ICC Contract Counterparty reasonably requires, as soon as reasonably practicable, and in any event no later than ten (10) Business Days following receipt of the ICC Contract Counterparty's request,

in each case accompanied by a Directors' Certificate in respect of such Supporting Information.

25.13 If the ICC Contract Counterparty agrees to waive the Emitter's obligation to repay Subsidy, State aid and/or Union Funding pursuant to Condition 25.5(C):

- (A) the ICC Contract Counterparty shall also notify the Emitter of:
 - (i) the amount of Subsidy, State aid and/or Union Funding (as adjusted for interest in accordance with Condition 25.11) which has not been repaid to the granter as at that date (the "**Other Subsidy**"); and

- (ii) the Subsidy Interest Rate currently applicable;
 - (B) Condition 25.15 shall apply; and
 - (C) subject to Condition 25.15, the suspension under Condition 25.6(A) shall cease and the ICC Contract Counterparty shall pay any amounts to the Emitter which would have been payable but for the operation of Condition 25.6(A). The ICC Contract Counterparty may elect to make such payment on a lump sum, staged or daily basis. No Compensatory Interest or Default Interest shall be payable in respect of any amounts payable pursuant to this Condition 25.13(C).
- 25.14 Nothing in this Condition 25 shall require the ICC Contract Counterparty to waive the Emitter's obligation under Condition 25.5(C), unless the ICC Contract Counterparty is satisfied that the requirements of Condition 25.12 have been met.

Set-Off of Other Subsidy

- 25.15 Any amount of Other Subsidy (as adjusted for interest in accordance with Condition 25.11) shall be set off against any amounts payable to the Emitter under the ICC Contract, so that no payment shall be made to the Emitter until such amount has been set off in its entirety.

Recovery

- 25.16 If the ICC Contract expires or terminates and any amount of Subsidy, State aid and/or Union Funding (as adjusted for interest in accordance with Condition 25.11) has not yet been repaid in full pursuant to Condition 25.5(C) or set off in full, pursuant to Condition 3.42 (*Set-Off of Previous Subsidy*) or Condition 25.15 (*Set Off of Other Subsidy*), the ICC Contract Counterparty shall be entitled to recover any payments made to the Emitter under the ICC Contract, up to the value of the outstanding amount. The ICC Contract Counterparty shall give notice to the Emitter of the outstanding amount and the currently applicable Subsidy Interest Rate and the Emitter shall repay or procure the repayment of the notified amount (as adjusted for interest in accordance with Condition 25.11) to the ICC Contract Counterparty within ten (10) Business Days from the date of the notice.

Part 7
Changes in Law¹⁴⁵

26. QUALIFYING CHANGE IN LAW: PROCEDURE

ICC Contract Counterparty QCiL Notice

- 26.1 If the ICC Contract Counterparty considers that a Qualifying Change in Law has been implemented, occurred or become effective (or is shortly to be implemented, to occur or to become effective), it may give a notice to the Emitter (an **"ICC Contract Counterparty QCiL Notice"**). An ICC Contract Counterparty QCiL Notice shall:
- (A) include reasonable details of the relevant Qualifying Change in Law;
 - (B) specify the QCiL Effective Date or the Expected QCiL Effective Date (as appropriate);
 - (C) specify why the ICC Contract Counterparty considers that the Notified Change in Law constitutes, or will constitute, a Qualifying Change in Law, including whether the ICC Contract Counterparty considers the Qualifying Change in Law to be a Discriminatory Change in Law, a Specific Change in Law or an Other Change in Law; and
 - (D) (if the ICC Contract Counterparty considers it reasonably practicable to do so) specify whether the ICC Contract Counterparty considers that the Notified Change in Law will give rise to or result in:
 - (i) QCiL Operating Costs or QCiL Operating Savings;
 - (ii) QCiL Capital Costs or QCiL Capital Savings;
 - (iii) an Adjusted Capture Period (and, if so, the ICC Contract Counterparty's ACP Estimate);
 - (iv) a QCiL Construction Event; and/or
 - (v) a QCiL Operations Cessation Event.

Emitter QCiL Response Notice

- 26.2 If the ICC Contract Counterparty gives an ICC Contract Counterparty QCiL Notice to the Emitter, the Emitter shall as soon as reasonably practicable, and in any event no later than forty (40) Business Days after receipt of such ICC Contract Counterparty QCiL Notice, give a notice to the ICC Contract Counterparty (an **"Emitter QCiL Response Notice"**). An Emitter QCiL Response Notice shall:
- (A) specify whether the Emitter considers that the Notified Change in Law constitutes, or will constitute, a Qualifying Change in Law (and, if the Emitter does not consider that the Notified Change in Law constitutes, or will constitute, a Qualifying Change in Law, the Emitter shall include Supporting Information, in reasonable detail, which the Emitter considers to be relevant to and supportive of that conclusion);
 - (B) include either:

¹⁴⁵ Note to Reader: Subject to further review by BEIS in relation to the forfeiture and reconciliation of FAs and FA volume assurance. Please refer to the discussion on pages 20 to 30 of the April Update Document).

- (i) a statement that the Emitter agrees with the QCiL Effective Date or the Expected QCiL Effective Date specified in the ICC Contract Counterparty QCiL Notice; or
 - (ii) if the Emitter does not agree with the QCiL Effective Date or the Expected QCiL Effective Date specified in the ICC Contract Counterparty QCiL Notice, an alternative QCiL Effective Date or Expected QCiL Effective Date;
- (C) specify whether the Emitter considers that the Notified Change in Law will give rise to or result in:
 - (i) QCiL Operating Costs or QCiL Operating Savings and, if so, include the Emitter's good faith estimate of such amounts and the profile of the incurrence of, or the making or receipt of, such costs or savings (as applicable);
 - (ii) QCiL Capital Costs or QCiL Capital Savings and, if so, include the Emitter's good faith estimate of such amounts and the profile of the incurrence of, or the making or receipt of, such costs or savings (as applicable);
 - (iii) an Adjusted Capture Period and, if so the Emitter's ACP Estimate;
 - (iv) a QCiL Construction Event and, if so, the Emitter's good faith estimate of the QCiL Construction Event Costs and QCiL Construction Event Savings; and/or
 - (v) a QCiL Operations Cessation Event and, if so, the Emitter's good faith estimate of the QCiL Operations Cessation Event Costs and QCiL Operations Cessation Event Savings;
- (D) together with such Supporting Information, in reasonable detail, as the Emitter considers to be relevant to and supportive of the foregoing; and
- (E) include Supporting Information evidencing, in reasonable detail, the steps that the Emitter has taken and/or proposes to take to comply with Condition 48.3 (*Mitigation*) and the Reasonable and Prudent Standard,

(the information referred to or specified in paragraphs (A) to (E) above being "**QCiL Response Information**").

- 26.3 If the Emitter, in an Emitter QCiL Response Notice, indicates that it does not consider that the Notified Change in Law constitutes, or will constitute, a Qualifying Change in Law, it shall nonetheless provide the QCiL Response Information on the basis of an assumption that the Notified Change in Law constitutes, or will constitute, a Qualifying Change in Law.
- 26.4 Any Emitter QCiL Response Notice shall be accompanied by a Directors' Certificate in relation to the QCiL Response Information which states (without prejudice to the generality of the certification required pursuant to this Condition 26.4) whether, in the opinion of the Emitter, having made all due and careful enquiries, the Notified Change in Law is or will be a Qualifying Change in Law.
- 26.5 If the Emitter becomes aware before any QCiL Compensation is agreed or determined, or paid, commenced or effected, pursuant to this Part 7 (*Changes in Law*) that any of the QCiL Response Information is no longer true, complete and accurate in all material respects or is misleading (or was not true, complete and accurate in all material respects or was misleading as at the date of the Directors' Certificate referred to in Condition 26.4), the Emitter shall as soon as reasonably practicable:

- (A) notify the ICC Contract Counterparty that this is the case; and

- (B) provide the ICC Contract Counterparty with the updated, corrected information (the **"Revised Emitter QCiL Response Information"**), together with a Directors' Certificate in relation to the Revised Emitter QCiL Response Information.
- 26.6 The ICC Contract Counterparty may, by notice to the Emitter no later than thirty (30) Business Days after receipt of an Emitter QCiL Response Notice or any Revised Emitter QCiL Response Information, require the Emitter to provide such Supporting Information in relation to that Emitter QCiL Response Notice or, as the case may be, the Revised Emitter QCiL Response Information (an **"Emitter QCiL Response Notice Information Request"**) as the ICC Contract Counterparty reasonably requests.
- 26.7 If the ICC Contract Counterparty gives an Emitter QCiL Response Notice Information Request to the Emitter, the Emitter shall, no later than thirty (30) Business Days, or such longer period as is specified by the ICC Contract Counterparty, after receipt of the request, prepare and deliver such further Supporting Information to the ICC Contract Counterparty.

Emitter QCiL Notice

- 26.8 If the Emitter considers that a Qualifying Change in Law has been implemented, occurred or become effective or is shortly to be implemented, occur or become effective, it may give a notice to the ICC Contract Counterparty (an **"Emitter QCiL Notice"**). An Emitter QCiL Notice shall:
- (A) include reasonable details of the relevant Qualifying Change in Law;
 - (B) specify the QCiL Effective Date or the Expected QCiL Effective Date (as appropriate);
 - (C) specify why the Emitter considers that the Notified Change in Law constitutes, or will constitute, a Qualifying Change in Law, including whether the Emitter considers the Qualifying Change in Law to be a Discriminatory Change in Law, a Specific Change in Law or an Other Change in Law (and including Supporting Information, in reasonable detail, which the Emitter considers to be relevant to and supportive of that conclusion);
 - (D) specify whether the Emitter considers that the Notified Change in Law will give rise to or result in:
 - (i) QCiL Operating Costs or QCiL Operating Savings and, if so, include the Emitter's good faith estimate of such amounts and the profile of the incurrence of, or the making or receipt of, such costs or savings (as applicable);
 - (ii) QCiL Capital Costs or QCiL Capital Savings and, if so, include the Emitter's good faith estimate of such amounts and the profile of the incurrence of, or the making or receipt of, such costs or savings (as applicable);
 - (iii) an Adjusted Capture Period and, if so the Emitter's ACP Estimate;
 - (iv) a QCiL Construction Event and, if so, the Emitter's good faith estimate of the QCiL Construction Event Costs and QCiL Construction Event Savings; and/or
 - (v) a QCiL Operations Cessation Event and, if so, the Emitter's good faith estimate of the QCiL Operations Cessation Event Costs and QCiL Operations Cessation Event Savings,
- together with such Supporting Information, in reasonable detail, as the Emitter considers to be relevant to and supportive of the foregoing; and

- (E) include Supporting Information evidencing, in reasonable detail, the steps that the Emitter has taken and/or proposes to take to comply with Condition 48.3 (*Mitigation*) and the Reasonable and Prudent Standard,

(the information referred to or specified in paragraphs (A) to (E) above being **"QCiL Supporting Information"**).

- 26.9 Any Emitter QCiL Notice shall be accompanied by a Directors' Certificate in relation to the QCiL Supporting Information which states (without prejudice to the generality of the certification required pursuant to this Condition 26.9) whether, in the opinion of the Emitter, having made all due and careful enquiries, the Notified Change in Law is or will be a Qualifying Change in Law.
- 26.10 If the Emitter becomes aware before any QCiL Compensation is agreed or determined, or paid, commenced or effected, pursuant to this Part 7 (*Changes in Law*) that any of the QCiL Supporting Information is no longer true, complete and accurate in all material respects or is misleading (or was not true, complete and accurate in all material respects or was misleading as at the date of the Directors' Certificate referred to in Condition 26.9), the Emitter shall as soon as reasonably practicable:
 - (A) notify the ICC Contract Counterparty that this is the case; and
 - (B) provide the ICC Contract Counterparty with the updated, corrected information (the **"Revised Emitter QCiL Information"**), together with a Directors' Certificate in relation to the Revised Emitter QCiL Response Information.
- 26.11 The ICC Contract Counterparty may, by notice to the Emitter no later than thirty (30) Business Days after receipt of an Emitter QCiL Notice or any Revised Emitter QCiL Information, require the Emitter to provide such Supporting Information in relation to that Emitter QCiL Notice or, as the case may be, the Revised Emitter QCiL Information (an **"Emitter QCiL Notice Information Request"**) as the ICC Contract Counterparty reasonably requests.
- 26.12 If the ICC Contract Counterparty gives an Emitter QCiL Notice Information Request to the Emitter, the Emitter shall, no later than thirty (30) Business Days, or such longer period as is specified by the ICC Contract Counterparty, after receipt of the request, prepare and deliver such further Supporting Information to the ICC Contract Counterparty.
- 26.13 The ICC Contract Counterparty shall be under no obligation to consider or take any action in response to an Emitter QCiL Notice unless and until the Emitter shall have provided the ICC Contract Counterparty with all of the QCiL Supporting Information, and the Directors' Certificate, in respect of such Emitter QCiL Notice.

Agreement between the Parties in respect of a Qualifying Change in Law

- 26.14 As soon as reasonably practicable, and in any event no later than fifteen (15) Business Days, after either:
 - (A) the ICC Contract Counterparty receives from the Emitter an Emitter QCiL Notice and the associated Directors' Certificate (or, if the ICC Contract Counterparty gives the Emitter an Emitter QCiL Notice Information Request, fifteen (15) Business Days after the ICC Contract Counterparty has received the requested Supporting Information); or
 - (B) the ICC Contract Counterparty receives from the Emitter an Emitter QCiL Response Notice and the associated Directors' Certificate (or, if the ICC Contract Counterparty gives the Emitter an Emitter QCiL Response Notice Information Request, fifteen (15)

Business Days after the ICC Contract Counterparty has received the requested Supporting Information),

the Parties shall meet to discuss and, in good faith, seek to agree:

- (i) whether the Notified Change in Law constitutes, or will constitute, a Qualifying Change in Law;
- (ii) in respect of a Qualifying Change in Law:
 - (a) the QCiL Effective Date or the Expected QCiL Effective Date (as appropriate);
 - (b) whether the Notified Change in Law will, or is reasonably expected to, result in:
 - (1) QCiL Net Operating Costs or QCiL Net Operating Savings;
 - (2) QCiL Net Capital Costs or QCiL Net Capital Savings;
 - (3) an Adjusted Capture Period (and, if so, the impact, or the reasonably anticipated impact, of the Notified Change in Law on the Metered CO₂ Output to T&S);
 - (4) a QCiL Construction Event and if so, the Emitter's good faith estimate of the QCiL Construction Event Costs and QCiL Construction Event Savings; and/or
 - (5) a QCiL Operations Cessation Event and, if so, the Emitter's good faith estimate of the QCiL Operations Cessation Event Costs and QCiL Operations Cessation Event Savings,
 - (c) the amounts, forecasts and estimates applicable to that Qualifying Change in Law referred to in Condition 26.2(C) or 26.8(D) (as appropriate);
 - (d) the steps or additional steps, as the case may be, which the Emitter should take to comply with Condition 48.3 (*Mitigation*) and the Reasonable and Prudent Standard; and
 - (e) any other matters necessary to determine the quantum of the QCiL Compensation;
- (iii) the QCiL Compensation in respect of such Qualifying Change in Law; and
- (iv) the QCiL Compensation Date.

Disputes in respect of a Qualifying Change in Law

- 26.15 If the Parties are not able to agree any of the matters in Condition 26.14, either Party may refer the Dispute for resolution by an Arbitral Tribunal in accordance with the Arbitration Procedure or, if the Parties agree in writing that such Dispute is amenable to determination by an Expert, refer the Dispute to an Expert for determination in accordance with the Expert Determination Procedure.

- 26.16 Until the Dispute has been resolved by agreement between the Parties or determination in accordance with the Arbitration Procedure or the Expert Determination Procedure, as the case may be, there shall be no QCiL Compensation payable.

27. **QUALIFYING CHANGE IN LAW: COMPENSATION**

Categories of Qualifying Change in Law compensation

- 27.1 Subject to Condition 27.3, compensation in respect of a Qualifying Change in Law shall be calculated:

- (A) if there are QCiL Operating Costs or QCiL Operating Savings, in accordance with Conditions 27.4 to 27.9 (inclusive) (a **"QCIL Opex Payment"**);
- (B) if there are QCiL Capital Costs or QCiL Capital Savings, in accordance with Conditions 27.10 to 27.17 (inclusive) (a **"QCIL Capex Payment"**);
- (C) if there is an Adjusted Capture Period, in accordance with Conditions 27.18 to 27.22 (inclusive) (a **"QCIL Adjusted Capture Payment"**);
- (D) if there is a QCiL Construction Event, in accordance with Conditions 27.23 to 27.26 (inclusive) (a **"QCIL Construction Event Payment"**); and/or
- (E) if there is a QCiL Operations Cessation Event, in accordance with Conditions 27.27 to 27.30 (inclusive) (a **"QCIL Operations Cessation Event Payment"**).

- 27.2 Any and all QCiL Compensation to be calculated in accordance with Condition 27.1 shall be payable in accordance with, and subject to, Conditions 28 (*Qualifying Change in Law: Effective date and payment*), 29 (*Qualifying Change in Law: True-up*) and 31 (*Changes in Law: General provisions*).

- 27.3 If a Qualifying Change in Law occurs which gives rise to or results in: (i) QCiL Operating Costs; (ii) QCiL Capital Costs; (iii) a QCiL Adjusted Capture Payment; or (iv) any combination of the foregoing:

- (A) before the Start Date, and the amount of the QCiL Compensation that would otherwise be payable in respect of the estimated QCiL Operating Costs, QCiL Capital Costs and/or QCiL Adjusted Capture Payment is greater than the amount of the QCiL Construction Event Payment that would have been payable under Conditions 27.23 to 27.26 if such Qualifying Change in Law were to have constituted a QCiL Construction Event; or
- (B) on or after the Start Date, and the amount of the QCiL Compensation that would otherwise be payable in respect of the estimated QCiL Operating Costs, QCiL Capital Costs and/or QCiL Adjusted Capture Payment is greater than the amount of the QCiL Operations Cessation Event Payment that would have been payable under Conditions 27.27 to 27.30 if such Qualifying Change in Law were to have constituted a QCiL Operations Cessation Event,

then the amount of the QCiL Compensation payable by the ICC Contract Counterparty to the Emitter in respect of the Qualifying Change in Law shall be limited to:

- (i) if Condition 27.3(A) applies, the amount of the QCiL Construction Event Payment that would have been payable under Conditions 27.23 to 27.26; or
- (ii) if Condition 27.3(B) applies, the amount of the QCiL Operations Cessation Event Payment that would have been payable under Conditions 27.27 to 27.30.

QCIL Opex Payment

27.4 Any and all QCIL Opex Payments shall be effected, at the election of the ICC Contract Counterparty (after consultation with the Emitter), either:

- (A) where the Qualifying Change in Law occurs, is implemented or becomes effective on or after the Start Date, as an adjustment to the Strike Price on an Ex-Ante basis which shall be payable:
 - (i) if there are QCIL Net Operating Costs, the Strike Price shall be increased; and
 - (ii) if there are QCIL Net Operating Savings, the Strike Price shall be reduced; or
- (B) irrespective of whether or not the relevant Qualifying Change in Law occurs, is implemented or becomes effective before, on or after the Start Date, as staged payments, either on an Ex-Ante and/or Ex-Post basis, which shall be payable:
 - (i) by the ICC Contract Counterparty to the Emitter if there are QCIL Net Operating Costs; or
 - (ii) by the Emitter to the ICC Contract Counterparty if there are QCIL Net Operating Savings.

27.5 For the purposes of Condition 27.4, each QCIL Opex Payment shall, subject to Condition 27.8, be an amount (*expressed in pounds*) calculated in accordance with:

- (A) Condition 27.6 if the QCIL Opex Payment is to be effected as an adjustment to the Strike Price; or
- (B) Condition 27.7 if the QCIL Opex Payment is to be paid by means of staged payments. .

27.6 If Condition 27.5(A) applies, each QCIL Opex Payment shall be calculated in accordance with the following formula:

$$QCIL\ Opex\ Payment = \frac{\sum_{j=1}^n \frac{C_{I,j} - C_{S,j}}{(1 + R_s)^{j-1}}}{EPCO2_{out}}$$

27.7 If Condition 27.5(B) applies, each QCIL Opex Payment shall be calculated in accordance with the following formula:

- (A) if effected on an Ex-Ante basis:

$$QCIL\ Opex\ Payment = \sum_{j=1}^n \frac{C_{I,j} - C_{S,j}}{(1 + R_s)^{j-1}}$$

- (B) if effected on an Ex-Post basis:

$$QCIL\ Opex\ Payment = \sum_{j=1}^n ((C_{I,j} - C_{S,j}) \times (1 + R_s)^{j-1})$$

and the QCIL Opex Payment shall be effected on the basis that such QCIL Compensation shall be equivalent to the amount that the Emitter would have received had the QCIL Opex Payment been effected as an adjustment to the Strike Price in accordance with Condition 27.5 and the ICC Contract Counterparty may (after consultation with the Emitter) determine the frequency

of such payments provided that the final staged payment shall be made within forty (40) Business Days of the Specified Expiry Date.

27.8 For the purposes of the formulae in Conditions 27.6 and 27.7:

- j = is a whole number integer from one (1) to n ; such integers referring to distinct time periods as follows:
- the first (1st) period ($j = 1$) covers the period from the QCiL Compensation Date to 31 December in the year of the QCiL Compensation Date;
 - the second (2nd) to the $(n-1)$ th periods ($2 \leq j < n$) are consecutive periods of one (1) calendar year length each; and
 - the n th period ($j = n$) is the period starting on 01 January in the year in which the final QCiL Opex Payment is payable and ending on the date that such final QCiL Opex Payment is paid;
- n = is a whole number integer which defines the number of calendar year periods (j) covered by the QCiL Opex Payment calculation, including the year in which the QCiL Compensation Date falls and the year in which the final QCiL Opex Payment is payable;
- $C_{I,j}$ = are, subject to Condition 27.9(B), the QCiL Operating Costs in period (j), expressed in pounds in real terms as at the QCiL Compensation Date;
- $C_{S,j}$ = are subject to Condition 27.9(B), the QCiL Operating Savings in period (j) expressed in pounds in real terms as at the QCiL Compensation Date;
- R_s = is the Post-Tax Real Discount Rate;
- $EPCO2_{out}$ = is the Effective Projected CO₂ Output to T&S.

27.9 If a Qualifying Change in Law gives rise to or results in both: (i) QCiL Operating Costs or QCiL Operating Savings; and (ii) an Adjusted Capture Period, then:

- (A) subject to Condition 27.9(B), such QCiL Operating Costs or QCiL Operating Savings shall be used for the purposes of calculating the QCiL Opex Payment in accordance with Conditions 27.4, 27.5, 27.6 and 27.7; and
- (B) if and to the extent that any QCiL Operating Costs or QCiL Operating Savings are (or are reasonably likely to be) incurred, made or received solely in connection with, and during, the Adjusted Capture Period, such QCiL Operating Costs or QCiL Operating Savings shall be excluded from the calculation of the QCiL Opex Payment in accordance with Conditions 27.4, 27.5, 27.6 and 27.7 and shall instead be taken into account in the calculation of the QCiL Adjusted Capture Payment in accordance with Conditions 27.18 and 27.19 and/or Conditions 27.20, 27.21 or 27.22 (as applicable).

QCIL Capex Payment

27.10 Any and all QCiL Capex Payments shall be effected, at the election of the ICC Contract Counterparty (after consultation with the Emitter), as a lump sum payment and/or staged payments which shall be payable:

- (A) by the ICC Contract Counterparty to the Emitter if there are QCiL Net Capital Costs; or
- (B) by the Emitter to the ICC Contract Counterparty where there are QCiL Net Capital Savings,

irrespective of whether or not the relevant Qualifying Change in Law occurs, is implemented or becomes effective before, on or after the Start Date.

27.11 For the purposes of Condition 27.10, each QCiL Capex Payment shall, subject to Condition 27.17, be an amount (*expressed in pounds*) calculated in accordance with:

- (A) Condition 27.12, 27.13 or 27.14 (as applicable) if the QCiL Capex Payment is to be paid as a lump sum; or
- (B) Condition 27.15 if the QCiL Capex Payment is to be paid by means of staged payments.

27.12 If: (i) the QCiL Net Capital Costs or the QCiL Net Capital Savings are first incurred, made or realised (or reasonably expected to be first incurred, made or realised) on or prior to the QCiL Capex Payment Adjustment Date; and (ii) Condition 27.11(A) applies, the QCiL Capex Payment shall be calculated in accordance with the following formula:

$$QCiL\ Capex\ Payment = \sum_{j=1}^n \frac{C_j - S_j}{(1 + R_s)^{j-1}}$$

27.13 If: (i) the QCiL Net Capital Costs or the QCiL Net Capital Savings are first incurred, made or realised (or reasonably expected to be first incurred, made or realised) after the QCiL Capex Payment Adjustment Date but prior to the expiry of the Initial Term; and (ii) Condition 27.11(A) applies, the QCiL Capex Payment shall be calculated in accordance with the following formula:

$$QCiL\ Capex\ Payment = \frac{L - X}{L - N} \sum_{j=1}^n \frac{C_j - S_j}{(1 + R_s)^{j-1}}$$

27.14 If: (i) the QCiL Net Capital Costs or the QCiL Net Capital Savings are first incurred, made or realised (or reasonably expected to be first incurred, made or realised) after the expiry of the QCiL Capex Payment Adjustment Date and the Initial Term but prior to the expiry of the Extended Term (where relevant); and (ii) Condition 27.11(A) applies, the QCiL Capex Payment shall be calculated in accordance with the following formula:

$$QCiL\ Capex\ Payment = \frac{1}{3} \sum_{j=1}^n \frac{C_j - S_j}{(1 + R_s)^{j-1}}$$

27.15 If Condition 27.11(B) applies:

- (A) the QCiL Capex Payment shall be effected on the basis that such QCiL Compensation shall be equivalent to the amount that the Emitter would have received had the QCiL Capex Payment been effected as a lump sum payment in accordance with Condition 27.12, 27.13 or 27.14 (as applicable); and
- (B) the ICC Contract Counterparty may (after consultation with the Emitter) determine the frequency of such payments provided that the final staged payment shall be made by

the earlier of: (i) the date that falls on the first date following the expiry of the period which is equal to the number of days in the Initial Term or (where relevant) the Extended Term divided by three (3) (*to the nearest integer*) following the QCiL Effective Date; and (ii) the Expiry Date.

27.16 For the purposes of the formulae in Conditions 27.12, 27.13 and 27.14:

| | | |
|-------|---|--|
| j | = | is a whole number integer from one (1) to n ; such integers referring to distinct time periods as follows: <ul style="list-style-type: none"> the first (1st) period ($j = 1$) covers the period from the QCiL Compensation Date to 31 December in the year of the QCiL Compensation Date; the second (2nd) to the $(n-1)$th periods ($2 \leq j < n$) are consecutive periods of one (1) calendar year length each; and the nth period ($j = n$) is the period starting on 01 January in the year in which the Expiry Date falls and ending on the Expiry Date; |
| C_j | = | are the QCiL Capital Costs in period (j), expressed in pounds in real terms as at the QCiL Compensation Date; |
| S_j | = | are the QCiL Capital Savings in period (j) expressed in pounds in real terms as at the QCiL Compensation Date; |
| R_s | = | is the Post-Tax Real Discount Rate; |
| L | = | is the period between: (a) the Start Date; and (b) the Specified Expiry Date, in years, and expressed as an integer; |
| X | = | is the number of days that have passed or will have passed from and including the Start Date to the QCiL Compensation Date divided by 365 (or, if such number would be a negative number, 0); and |
| N | = | is equal to L multiplied by 0.7, and expressed to the nearest integer. |

27.17 If a Qualifying Change in Law gives rise to or results in both: (i) QCiL Capital Costs or QCiL Capital Savings; and (ii) an Adjusted Capture Period, then:

- (A) subject to Condition 27.17(B), such QCiL Capital Costs or QCiL Capital Savings shall be used for the purposes of calculating the QCiL Capex Payment in accordance with Conditions 27.10, 27.11 and 27.16 and Condition 27.12, 27.13, 27.14 or 27.15 (as applicable); and
- (B) if and to the extent that any QCiL Capital Savings are (or are reasonably likely to be) made or received solely in connection with, and during, the Adjusted Capture Period, then such QCiL Capital Savings shall be excluded from the calculation of the QCiL Capex Payment in accordance with Conditions 27.10, 27.11, 27.16 and 27.17(A), and Condition 27.12, 27.13, 27.14 or 27.15 (as applicable), and such QCiL Capital Savings shall instead be taken into account in the calculation of the QCiL Adjusted Capture

Payment in accordance with Conditions 27.18 and 27.19 and Conditions 27.20, 27.21 or 27.22 (as applicable).

QCIL Adjusted Capture Payment

- 27.18 Any and all QCIL Adjusted Capture Payments shall be effected, at the election of the ICC Contract Counterparty (after consultation with the Emitter), as a lump sum payment, staged payments and/or an adjustment to the Metered CO₂ Output to T&S either on an Ex-Post or Ex-Ante basis, which shall be payable:
- (A) by the ICC Contract Counterparty to the Emitter if the amount calculated under the relevant formula is positive; or
 - (B) by the Emitter to the ICC Contract Counterparty if the amount calculated under the relevant formula is negative.
- 27.19 For the purposes of Condition 27.18, each QCIL Adjusted Capture Payment shall be calculated in accordance with:
- (A) Condition 27.20 if the QCIL Adjusted Capture Payment is to be paid as a lump (*expressed in pounds*) sum on an Ex-Post basis;
 - (B) Condition 27.21 if the QCIL Adjusted Capture Payment is to be paid by means of staged payments (*expressed in pounds*) on an Ex-Post basis; or
 - (C) Condition 27.22 if the QCIL Adjusted Capture Payment is to be paid by means of an adjustment to the Metered CO₂ Output to T&S on an Ex-Ante basis.
- 27.20 If Condition 27.19(A) applies, the QCIL Adjusted Capture Payment shall be calculated in accordance with the following formula:

$$QCIL \text{ Adjusted Capture Payment (lump sum)} = \sum_{j=1}^n [(\Delta CP_j + \Delta OP_j) \times (1 + R_s)^{j-1}]$$

where:

- j = is a whole number integer from one (1) to n ; such integers referring to distinct time periods as follows:
- the first (1st) period ($j = 1$) covers the period from the QCIL Compensation Date to 31 December in the year of the QCIL Compensation Date;
 - the second (2nd) to the $(n-1)$ th periods ($2 \leq j < n$) are consecutive periods of one (1) calendar year length each; and
 - the n th period ($j = n$) is the period starting on 01 January in the year in which the last day of the Adjusted Capture Period falls and ending on the last day of the Adjusted Capture Period;

| | | |
|---------------|---|---|
| ΔCP_j | = | is the Capex Payment QCiL Differential in period (j) (£) (as calculated in accordance with Condition [●]); ¹⁴⁶ |
| ΔOP_j | = | is the Opex Payment QCiL Differential in period (j) (£) (as calculated in accordance with Condition [●]); ¹⁴⁷ |
| R_s | = | is the Post-Tax Real Discount Rate. |

27.21 If Condition 27.19(B) applies:

- (A) the QCiL Adjusted Capture Payment shall be effected on the basis that such QCiL Compensation shall be equivalent to the amount that the Emitter would have received had the QCiL Adjusted Capture Payment been effected as a lump sum payment in accordance with Condition 27.20; and
- (B) the ICC Contract Counterparty may (after consultation with the Emitter) determine the frequency of such payments provided that the final staged payment shall be made by the earlier of: (i) the date that falls on the first date following the expiry of the period which is equal to the number of days in the Initial Term or (where relevant) the Extended Term divided by three (3) (*to the nearest integer*) following the QCiL Effective Date; and (ii) the Expiry Date.

27.22 If Condition 27.19(C) applies and the QCiL Adjusted Capture Payment is to be effected as an adjustment to the Metered CO₂ Output to T&S on an Ex-Ante basis, then an adjustment to the Metered CO₂ Output to T&S in each Settlement Unit (*i*) following the QCiL Compensation Date shall be deemed to be equal to:

$$CO2_{out,i,Adj} = CO2_{out,i,NoQCIL} - CO2_{out,i,QCiL}$$

where:

| | | |
|----------------------|---|--|
| $CO2_{out,i,Adj}$ | = | is an adjustment to the Metered CO ₂ Output to T&S applicable to each Settlement Unit (<i>i</i>) following the QCiL Compensation Date (<i>t</i> CO ₂); |
| $CO2_{out,i,NoQCIL}$ | = | is the daily average Metered CO ₂ Output to T&S for: (i) the twelve (12) OP Billing Periods prior to the QCiL Effective Date; or (ii) all OP Billing Periods where there have been less than twelve (12) OP Billing Periods prior to the QCiL Effective Date(<i>t</i> CO ₂); and |
| $CO2_{out,i,QCiL}$ | = | is the daily Metered CO ₂ Output to T&S after the QCiL Effective Date (<i>t</i> CO ₂), |

¹⁴⁶ Note to Reader: The calculation of the Capex Payment QCiL Differential is subject to further review by BEIS.

¹⁴⁷ Note to Reader: The calculation of the Opex Payment QCiL Differential is subject to further review by BEIS.

but where the Metered CO₂ Output to T&S in any Settlement Unit (*i*) following the QCiL Compensation Date is zero (0), such adjustment to the Metered CO₂ Output to T&S shall not apply.

QCIL Construction Event Payment

27.23 Any QCiL Construction Event Payment shall be effected, at the election of the ICC Contract Counterparty (after consultation with the Emitter) as a lump sum payment or staged payments and shall be payable to the Emitter by the ICC Contract Counterparty.

27.24 For the purposes of Condition 27.23, the QCiL Construction Event Payment shall be an amount (*expressed in pounds*) calculated in accordance with:

- (A) Condition 27.25 if the QCiL Construction Event Payment is to be paid as a lump sum; or
- (B) Condition 27.26 if the QCiL Construction Event Payment is to be paid by means of staged payments.

27.25 If Condition 27.24(A) applies, the QCiL Construction Event Payment shall be calculated in accordance with the following formula:

$$QCIL\ Construction\ Event\ Payment = \sum_{j=1}^n \frac{C_j - S_j}{(1 + R_s)^{j-m}}$$

where:

j = is a whole number integer from one (1) to *n*; such integers referring to distinct time periods as follows:

- the first (1st) period (*j* = 1) covers the period from date the first QCiL Construction Event Cost was incurred to 31 December in that year;
- the second (2nd) to the (*n*-1)th periods ($2 \leq j < n$) are consecutive periods of one (1) calendar year length each; and
- the *n*th period (*j* = *n*) is the period starting on 01 January in the year in which the final QCiL Construction Event Cost was incurred and ending on the last date of that year;

C_j = are all QCiL Construction Event Costs in period (*j*), expressed in pounds in real terms as at the QCiL Compensation Date;

S_j = are all QCiL Construction Event Savings in period (*j*), expressed in pounds in real terms as at the QCiL Compensation Date;

R_s = is the Post-Tax Real Discount Rate; and

m = is a whole number integer that defines the calendar year period within which the QCiL Compensation Date falls, defined as the number of years since the date the first QCiL

Construction Event Cost was incurred in relation to the QCiL Construction Event, rounded up to the nearest integer.

27.26 If Condition 27.24(B) applies:

- (A) the QCiL Construction Event Payment shall be effected on the basis that such QCiL Compensation shall be equivalent to the amount that the Emitter would have received had the QCiL Construction Event Payment been effected as a lump sum payment in accordance with Condition 27.25; and
- (B) the ICC Contract Counterparty may (after consultation with the Emitter) determine the frequency of such payments provided that the final staged payment shall be made by the earlier of: (i) the date that falls on the first date following the expiry of the period which is equal to the number of days in the Initial Term or (where relevant) the Extended Term divided by three (3) (*to the nearest integer*) following the QCiL Effective Date; and (ii) the Expiry Date.

QCiL Operations Cessation Event Payment

27.27 Any QCiL Operations Cessation Event Payment shall be effected, at the election of the ICC Contract Counterparty (after consultation with the Emitter), as a lump sum payment or staged payments and shall be payable to the Emitter by the ICC Contract Counterparty.

27.28 For the purposes of Condition 27.27, the QCiL Operations Cessation Event Payment shall be an amount (*expressed in pounds*) calculated in accordance with:

- (A) Condition 27.29 if the QCiL Operations Cessation Event Payment is to be paid as a lump sum; or
- (B) Condition 27.30 if the QCiL Operations Cessation Event Payment is to be paid by means of staged payments.

27.29 If Condition 27.28(A) applies, the QCiL Operations Cessation Event Payment shall be calculated in accordance with the following formula:

$$QCiL\ Operation\ Cessation\ Event\ Payment\ (lump\ sum) = \sum_{j=1}^n \frac{(\Delta CP_j) + (C_j - S_j)}{(1 + R_s)^{j-1}}$$

where:

- ΔCP_j = the remaining Capex Payments (but excluding the corresponding amount of the Total Return Component) that the Emitter would have received but for the QCiL Operations Cessation Event
- C_j = are all QCiL Operations Cessation Event Costs in period (j), expressed in real terms as at the QCiL Compensation Date;
- S_j = are all QCiL Operations Cessation Event Savings in period (j), expressed in real terms as at the QCiL Compensation Date;
- j = is a whole number integer from one (1) to n; such integers referring to distinct time periods as follows:

- the first (1st) period ($j = 1$) covers the period from the QCiL Compensation Date to 31 December in the year of the QCiL Compensation Date;
- the second (2nd) to the (n-1)th periods ($2 \leq j < n$) are consecutive periods of one (1) calendar year length each; and
- the nth period ($j = n$) is the period starting on 01 January in the year in which the Expiry Date falls and ending on the Expiry Date and

R_s = is the Post-Tax Real Discount Rate.

27.30 If Condition 27.28(B) applies:

- (A) the QCiL Operations Cessation Event Payment shall be effected on the basis that such QCiL Compensation shall be equivalent to the amount that the Emitter would have received had the QCiL Operations Cessation Event Payment been effected as a lump sum payment in accordance with Condition 27.34; and
- (B) the ICC Contract Counterparty may (after consultation with the Emitter) determine the frequency of such payments provided that the final staged payment shall be made by the earlier of: (i) the date that falls on the first date following the expiry of the period which is equal to the number of days in the Initial Term or (where relevant) the Extended Term divided by three (3) (*to the nearest integer*) following the QCiL Effective Date; and (ii) the Expiry Date.

Additional calculations: Effective Projected CO₂ Output to T&S and Estimated CO₂ Output to T&S

27.31 For the purposes of Condition 27.6, the "Effective Projected CO₂ Output to T&S" shall be an amount (*expressed in tCO₂*) calculated in accordance with the following formula:

$$EPCO2_{out} = \sum_{j=1}^n \frac{ECO2_{out,j}}{(1 + R_s)^{j-1}}$$

where:

$EPCO2_{out}$ = the Effective Projected CO₂ Output to T&S.

j = a whole number integer from one (1) to n; such integers referring to distinct time periods as follows:

- the first (1st) period ($j = 1$) covers the period from the QCiL Compensation Date to 31 December in the year of the QCiL Compensation Date;
- the second (2nd) to the (n-1)th periods ($2 \leq j < n$) are consecutive periods of one (1) calendar year length each; and
- the nth period ($j = n$) is the period starting on 01 January in the year in which the Expiry Date falls and ending on the Expiry Date;

$ECO2_{out,j}$ = the Estimated CO₂ Output to T&S in period (j); and

R_s = the Post-Tax Real Discount Rate.

27.32 The **"Estimated CO₂ Output to T&S"** shall be an amount (*expressed in tCO₂*) which is the product of:

- (A) the Metered CO₂ Output to T&S Estimate¹⁴⁸; and
- (B) the number of Settlement Units in period j.

28. QUALIFYING CHANGE IN LAW: EFFECTIVE DATE AND PAYMENT

28.1 Any and all QCiL Compensation in respect of a Notified Change in Law (or, in the case of paragraph (D) below, in respect of a Qualifying Shutdown Event) shall be calculated as at and be effective from:

- (A) (if the QCiL Compensation takes the form of a QCiL Opex Payment or a QCiL Capex Payment) the earlier of: (i) the QCiL Effective Date; and (ii) the date on which the Emitter (acting in accordance with the Reasonable and Prudent Standard) first incurs QCiL Operating Costs or QCiL Capital Costs, or makes or realises QCiL Operating Savings or QCiL Capital Savings, in anticipation of such Notified Change in Law being implemented, occurring or becoming effective;
- (B) (if the QCiL Compensation takes the form of a QCiL Adjusted Capture Payment) the first (1st) day of the relevant Adjusted Capture Period;
- (C) (if the QCiL Compensation takes the form of a QCiL Construction Event Payment) the date of the QCiL Construction Event; or
- (D) (if the QCiL Compensation takes the form of a QCiL Operations Cessation Event Payment) the date of the QCiL Operations Cessation Event,

(the **"QCiL Compensation Date"**).

28.2 Subject to Condition 28.3:

- (A) any and all QCiL Compensation effected as a lump sum payment shall be paid by the ICC Contract Counterparty or the Emitter (as applicable) no later than ten (10) Business Days after the later of:
 - (i) the QCiL Compensation Date; and
 - (ii) the date on which the amount of the QCiL Compensation is agreed or determined;
- (B) any and all QCiL Opex Payments effected as a Strike Price Adjustment shall be reflected in the calculation of the Opex Payment in the Opex Payment Billing Statements for each OP Billing Period on and with effect from the QCiL Compensation Date (or, if necessary, reflected as an OP Reconciliation Amount in respect of each relevant OP Billing Period);

¹⁴⁸ Note to Reader: BEIS is considering the methodology to pro-rate this figure on a Settlement Unit basis.

- (C) any and all QCiL Adjusted Capture Payments effected as an adjustment to the Metered CO₂ Output to T&S shall be reflected in the calculation of the Capex Payment in the Capex Payment Billing Statements for each CP Billing Period and/or in the calculation of the Opex Payment in the Opex Billing Statements for each OP Billing Period (as applicable), in each case on and with effect from the QCiL Compensation Date (or, if necessary, reflected as a CP Reconciliation Amount and/or OP Reconciliation Amount in respect of each relevant CP Billing Period) and/or OP Billing Period; and
- (D) any and all QCiL Compensation effected as daily or staged payments shall commence no later than ten (10) Business Days after the later of:
 - (i) the QCiL Compensation Date; and
 - (ii) the date on which the amount of the QCiL Compensation is agreed or determined,

and, in either case, the final payment shall be made by the earlier of: (i) the date that is five (5) years from the QCiL Effective Date; and (ii) the Expiry Date, in accordance with Condition 27.15(B), 27.21(B), 27.26(B) or 27.30(B) (as appropriate),

provided that, in each case, if the amount of any QCiL Compensation is agreed or determined after the QCiL Compensation Date, such QCiL Compensation shall be reflected as a Reconciliation Amount (pursuant to Condition 10.5(F)) in respect of the Billing Statements for each Billing Period on and with effect from the QCiL Compensation Date.

- 28.3 No QCiL Compensation shall be payable if and for so long as the ICC Contract Counterparty withholds or suspends payment pursuant to Conditions 8.16 (*Failure to give an Opex Costs Early Reopener Notice*), 18.2 (*Failure to comply with compliance of technology undertaking*), 19.12 (*Failure to comply with Metering Schematic Obligation*), 19.18 (*Failure to provide Metering Access Right*), [19.23 (*Failure to comply with Automated Data Systems Obligations*)], 20.10 (*Failure to comply with Minimum CO₂ Capture Rate Obligation: Suspension*)], 21.5 (*Suspension of Payments (Failure to provide CO₂ Metering Data)*), 22.5 (*Suspension of Payments (Failure to provide Full Capture Outage Event Notification)*), 22.12 (*Failure to provide Full Capture Outage Event Access Right*), 24.12 (*Failure to submit a Carbon Intensity Report: Suspension*) or 35.15 (*Failure to comply with T&S Prolonged Unavailability Procedure Obligation: Suspension*).
- 28.4 All QCiL Compensation shall be made by direct bank transfer or equivalent transfer of immediately available funds into the account notified to the Emitter pursuant to Condition 15.1(A) (*Payment Accounts*) or the ICC Contract Counterparty pursuant to Condition 15.1(B) (*Payment Accounts*) (as relevant).

29. QUALIFYING CHANGE IN LAW: TRUE-UP

ICC Contract Counterparty QCiL True-Up Notice

- 29.1 If any QCiL Compensation has been agreed or determined, or paid, commenced or effected, in respect of any Qualifying Change in Law or a Qualifying Shutdown Event, the ICC Contract Counterparty may, subject to Condition 29.2, give the Emitter a notice (an "**ICC Contract Counterparty QCiL True-Up Notice**"), requiring the Emitter to confirm:
 - (A) the impact of the relevant Qualifying Change in Law having occurred, having being implemented or having become effective or, as the case may be, the Qualifying Shutdown Event having occurred (including all out-of-pocket costs (including QCiL Tax Liabilities) which have been incurred in respect of the Project by the Emitter, all savings (including avoided out-of-pocket costs, reliefs from or reductions in a QCiL Tax Liability,

insurance proceeds and other compensation) which have been made or received in respect of the Project by the Emitter, all revenue decreases or increases which were incurred, received or made by the Emitter, and which arose directly from the relevant Qualifying Change in Law being implemented, occurring or becoming effective or, as the case may be, the Qualifying Shutdown Event having occurred and/or the duration and impact of any Adjusted Capture Period affecting the Installation);

- (B) that no amount has been recovered (or is entitled to be recovered) by the Emitter pursuant to Conditions 48.5 (*No double recovery*) and 48.7 (*No double recovery*) or, if any amount has been so recovered, confirmation of such amount; and
- (C) such other matters which were pertinent to the calculation of the QCiL Compensation (including the steps that the Emitter has taken to comply with Condition 48.3 (*Mitigation*) and the Reasonable and Prudent Standard), the information referred to or specified in paragraphs (A) to (C) above being **"QCIL True-Up Information"**.

29.2 No ICC Contract Counterparty QCiL True-Up Notice shall be given in respect of a Qualifying Change in Law or a Qualifying Shutdown Event, as the case may be, within one (1) calendar year of the relevant QCiL Compensation Date.

Emitter QCiL True-Up Response Notice

29.3 If the ICC Contract Counterparty gives an ICC Contract Counterparty QCiL True-Up Notice to the Emitter, the Emitter shall, as soon as reasonably practicable and in any event no later than forty (40) Business Days after receipt of such ICC Contract Counterparty QCiL True-Up Notice, give a notice to the ICC Contract Counterparty (an **"Emitter QCiL True-Up Response Notice"**). An Emitter QCiL True-Up Response Notice shall:

- (A) contain the QCiL True-Up Information; and
- (B) include such Supporting Information, in reasonable detail, as the Emitter considers to be relevant to and supportive of the QCiL True-Up Information,

(the information referred to or specified in paragraphs (A) and (B) above being the **"QCIL True-Up Response Information"**).

29.4 An Emitter QCiL True-Up Response Notice shall be accompanied by a Directors' Certificate in relation to the QCiL True-Up Response Information.

29.5 If the Emitter becomes aware before QCiL True-Up Compensation is agreed or determined, or paid, effected or commenced, pursuant to this Condition 29 (*Qualifying Change in Law: True-up*) that the QCiL True-Up Response Information is no longer true, complete and accurate in all material respects or is misleading (or was not true, complete and accurate in all material respects or was misleading as at the date of the Directors' Certificate referred to in Condition 29.4), the Emitter shall as soon as reasonably practicable:

- (A) notify the ICC Contract Counterparty that this is the case; and
- (B) provide the ICC Contract Counterparty with the updated, corrected information (the **"Revised Emitter QCiL True-Up Response Information"**), together with a Directors' Certificate in relation to the Revised Emitter QCiL True-Up Response Information.

29.6 The ICC Contract Counterparty may, by notice to the Emitter no later than twenty (20) Business Days after receipt of an Emitter QCiL True-Up Response Notice or any Revised Emitter QCiL True-Up Response Information, require the Emitter to provide such Supporting Information in relation to that Emitter QCiL True-Up Response Notice or, as the case may be, the Revised

Issuer QCiL True-Up Response Information (an **"Issuer QCiL True-Up Response Notice Information Request"**) as the ICC Contract Counterparty reasonably requests.

- 29.7 If the ICC Contract Counterparty gives an Issuer QCiL True-Up Response Notice Information Request to the Issuer, the Issuer shall, no later than twenty (20) Business Days, or such longer period as is specified by the ICC Contract Counterparty, after receipt of the request, prepare and deliver such further Supporting Information to the ICC Contract Counterparty.

Issuer QCiL True-Up Notice

- 29.8 If any QCiL Compensation has been agreed or determined, or paid, commenced or effected, in respect of any Qualifying Change in Law, the Issuer may, subject to Condition 29.13, give the ICC Contract Counterparty a notice (an **"Issuer QCiL True-Up Notice"**). An Issuer QCiL True-Up Notice shall:

- (A) contain the QCiL True-Up Information; and
- (B) include such Supporting Information, in reasonable detail, as the Issuer considers to be relevant to and supportive of the QCiL True-Up Information,

(the information referred to or specified in paragraphs (A) and (B) above being **"QCiL True-Up Supporting Information"**).

- 29.9 An Issuer QCiL True-Up Notice shall be accompanied by a Directors' Certificate in relation to the QCiL True-Up Supporting Information.

- 29.10 If the Issuer becomes aware before QCiL True-Up Compensation is agreed or determined, or paid, effected or commenced, pursuant to this Condition 29 (*Qualifying Change in Law: True-up*), that the QCiL True-Up Supporting Information is no longer true, complete and accurate in all material respects or is misleading (or was not true, complete and accurate in all material respects or was misleading as at the date of the Directors' Certificate referred to in Condition 29.9), the Issuer shall as soon as reasonably practicable:

- (A) notify the ICC Contract Counterparty that this is the case; and
- (B) provide the ICC Contract Counterparty with the updated, corrected information (the **"Revised Issuer QCiL True-Up Information"**), together with a Directors' Certificate in relation to the Revised Issuer QCiL True-Up Information.

- 29.11 The ICC Contract Counterparty may, by notice to the Issuer no later than twenty (20) Business Days after receipt of an Issuer QCiL True-Up Notice or any Revised Issuer QCiL True-Up Information, require the Issuer to provide such Supporting Information in relation to that Issuer QCiL True-Up Notice or, as the case may be, the Revised Issuer QCiL True-Up Information (an **"Issuer QCiL True-Up Notice Information Request"**) as the ICC Contract Counterparty reasonably requests.

- 29.12 If the ICC Contract Counterparty gives an Issuer QCiL True-Up Notice Information Request to the Issuer, the Issuer shall, no later than twenty (20) Business Days, or such longer period as is specified by the ICC Contract Counterparty, after receipt of the request, prepare and deliver such further Supporting Information to the ICC Contract Counterparty.

- 29.13 No Issuer QCiL True-Up Notice shall be given in respect of a Qualifying Change in Law or a Qualifying Shutdown Event, as the case may be, within one (1) calendar year of the relevant QCiL Compensation Date.

- 29.14 The ICC Contract Counterparty shall be under no obligation to consider or take any action in response to an Issuer QCiL True-Up Notice unless and until the Issuer shall have provided

the ICC Contract Counterparty with all the QCiL True-Up Information, and the Directors' Certificate in respect of such Emitter QCiL True-Up Notice.

Agreement between the Parties in respect of a true-up

29.15 The Parties shall meet to discuss and, in good faith, seek to agree:

- (A) the QCiL True-Up Information;
- (B) any such other matters which the Parties consider pertinent to the calculation of the QCiL True-Up Compensation (if any);
- (C) the QCiL True-Up Compensation (if any) that shall be payable by the ICC Contract Counterparty or the Emitter (as the case may be); and
- (D) the manner in which such QCiL True-Up Compensation (if any) shall be paid by the ICC Contract Counterparty or the Emitter (as the case may be), provided that:
 - (i) where the QCiL True-Up Compensation relates to a QCiL Strike Price Adjustment and/or a QCiL Adjusted Capture Period Adjustment, the QCiL True-Up Compensation shall be effected by way of a QCiL True-Up Strike Price Adjustment and/or a QCiL True-Up Adjusted Capture Period Adjustment (as applicable); and
 - (ii) where the QCiL True-Up Compensation does not relate to a QCiL Strike Price Adjustment and/or a QCiL Adjusted Capture Period Adjustment, the QCiL True-Up Compensation shall be paid in the same manner as the QCiL Compensation agreed in respect of that Qualifying Change in Law, unless the Parties expressly agree otherwise.

Such meeting shall be convened: (i) as soon as reasonably practicable, and in any event no later than twenty (20) Business Days, after the ICC Contract Counterparty receives an Emitter QCiL True-Up Response Notice and the associated Directors' Certificate (or, if the ICC Contract Counterparty gives the Emitter an Emitter QCiL True-Up Response Notice Information Request, no later than twenty (20) Business Days after the ICC Contract Counterparty receives the requested Supporting Information); or (ii) if the Emitter gives the ICC Contract Counterparty an Emitter QCiL True-Up Notice and the associated Directors' Certificate, at such date as is determined by the ICC Contract Counterparty in its sole and absolute discretion.

29.16 Any and all QCiL True-Up Compensation is to be calculated and paid in accordance with and subject to Conditions 27 (*Qualifying Change in Law: Compensation*), 28 (*Qualifying Change in Law: Effective date and payment*) and 31 (*Changes in Law: General provisions*) (in each case with the necessary modifications).

Disputes in respect of a true-up

29.17 If the Parties are not able to agree any of the matters in Condition 29.15, either Party may refer the Dispute for resolution by an Arbitral Tribunal in accordance with the Arbitration Procedure or, if the Parties agree in writing that such Dispute is amenable to determination by an Expert, refer the Dispute to an Expert for determination in accordance with the Expert Determination Procedure.

29.18 Until the Dispute has been resolved by agreement between the Parties or determination in accordance with the Arbitration Procedure or the Expert Determination Procedure, as the case may be, there shall be no QCiL True-Up Compensation payable.

30. **QUALIFYING SHUTDOWN EVENT: PROCEDURE**

- 30.1 If a Qualifying Shutdown Event has occurred, the Emitter may give notice to that effect to the ICC Contract Counterparty (a "**QSE Notice**"). A QSE Notice shall:
- (A) include reasonable details of the Qualifying Shutdown Event;
 - (B) specify the date on which the Qualifying Shutdown Event occurred;
 - (C) specify the Emitter's good faith estimate of the QCiL Operations Cessation Event Costs and the QCiL Operations Cessation Event Savings;
 - (D) include such Supporting Information, in reasonable detail, which the Emitter considers to be relevant and supportive of the foregoing; and
 - (E) include Supporting Information evidencing, in reasonable detail, the steps that the Emitter has taken and/or proposes to take to comply with Condition 48.3 (*Mitigation*) and the Reasonable and Prudent Standard.
- 30.2 Any QSE Notice shall be accompanied by a Directors' Certificate in relation to the information contained in, and enclosed with, the QSE Notice.
- 30.3 A QSE Notice shall be deemed to constitute an Emitter QCiL Notice and the provisions of Conditions 26 (*Qualifying Change in Law: Procedure*) to 28.1 (*Qualifying Change in Law: True-up*) (inclusive) shall apply (with the necessary modifications) for the purposes of:
- (A) agreeing or determining whether a Qualifying Shutdown Event has occurred;
 - (B) (if a Qualifying Shutdown Event has occurred) agreeing or determining the amount of QCiL Compensation resulting from the occurrence of such Qualifying Shutdown Event (on the basis that a Qualifying Shutdown Event constitutes a QCiL Operation Cessation Event) and the terms and conditions upon which such QCiL Compensation will be paid or effected; and
 - (C) agreeing or determining any and all other related matters pertinent to the foregoing.

31. **CHANGES IN LAW: GENERAL PROVISIONS**

Indemnity

- 31.1 The Emitter shall, promptly on demand from time to time, indemnify the ICC Contract Counterparty, and keep the ICC Contract Counterparty fully and effectively indemnified, against any and all out-of-pocket costs properly incurred by the ICC Contract Counterparty and which would not have been incurred but for an Emitter QCiL Notice (including any QSE Notice) having been given. This Condition 31.1 shall not apply in respect of any such costs resulting from the ICC Contract Counterparty having disputed that a Qualifying Change in Law or Qualifying Shutdown Event has occurred if a resolution or determination to the contrary is made pursuant to the Dispute Resolution Procedure.

Excluded Change in Law

- 31.2 There shall be no amendment to the ICC Contract, adjustment to the Strike Price, adjustment to the Metered CO₂ Output to T&S or other compensation in respect of or on account of any Excluded Change in Law other than pursuant to the Change Control Procedure.

32. CHANGE IN APPLICABLE LAW: PROCEDURE

Requirement to undertake a CiAL Review

32.1 The ICC Contract Counterparty shall conduct a CiAL Review if:

- (A) it determines that:
 - (i) any Change in Applicable Law: (i) has been implemented, has occurred or has become effective; or (ii) is expected to be implemented, to occur or to become effective; and
 - (ii) as a result of such Change in Applicable Law being implemented, occurring or becoming effective one (1) or more of the Required CiAL Amendment Objectives will cease to be met; or
 - (B) the CiAL Request Criterion is met,
- (each, a "**CiAL Review Trigger**").

32.2 If the Emitter considers that:

- (A) any Change in Applicable Law: (i) has been implemented, has occurred or has become effective; or (ii) is expected to be implemented, to occur or to become effective; and
- (B) as a result of such Change in Applicable Law being implemented, occurring or becoming effective one (1) or more of the Required CiAL Amendment Objectives will cease to be met,

the Emitter may give a notice to the ICC Contract Counterparty requesting the ICC Contract Counterparty to undertake a CiAL Review (a "**CiAL Request Notice**"). A CiAL Request Notice:

- (i) shall specify why, and the date on which, the Emitter considers that a Change in Applicable Law: (a) has been implemented, has occurred or has become effective; or (b) is expected to be implemented, occur or become effective;
- (ii) shall specify why the Emitter considers that the Change in Applicable Law results or will result in one (1) or more of the Required CiAL Amendment Objectives ceasing to be met; and
- (iii) may set out the Emitter's opinion of the Required CiAL Amendment(s),

together with such Supporting Information, in reasonable detail, which the Emitter considers to be relevant to and supportive of the foregoing.

32.3 For the purposes of Condition 32.1(B), the "**CiAL Request Criterion**" is that thirty per cent. (30%) or more of all ICC Emitters as at the date of the CiAL Request Notice, by mass quantity or number, have given the ICC Contract Counterparty a CiAL Request Notice in any period of ten (10) consecutive Business Days. For the purposes of determining whether the CiAL Request Criterion is met, the ICC Contract Counterparty shall calculate:

- (A) the number of ICC Emitters which have given a CiAL Request Notice as a percentage of the total number of ICC Emitters as at the date of the CiAL Request Notice; and
- (B) the mass quantity attributable to CCUS Programme ICC Contracts to which ICC Emitters which have given a CiAL Request Notice are party as a percentage of the total mass quantity attributable to CCUS Programme ICC Contracts (and, for this purpose,

"mass quantity" shall be calculated by the ICC Contract Counterparty using the Metered CO₂ Output to T&S Estimate in each relevant CCUS Programme ICC Contract).

Validity of CiAL Request Notices

- 32.4 The Emitter acknowledges and agrees that all CiAL Request Notices shall be invalid and of no effect if the CiAL Request Criterion is not met.
- 32.5 The ICC Contract Counterparty shall notify the Emitter no later than ten (10) Business Days after the CiAL Request Criterion has been met (a **"CiAL Request Validity Notice"**).

Notification of CiAL Review

- 32.6 If the ICC Contract Counterparty is required or elects to undertake a CiAL Review pursuant to Condition 32.1, the ICC Contract Counterparty shall give a notice to the Emitter (a **"CiAL Review Notice"**). A CiAL Review Notice shall specify:
- (A) the CiAL Review Trigger which has occurred; and
 - (B) a deadline by which the Emitter must provide a CiAL Review Response Notice, such deadline to be no less than ten (10) Business Days after the date on which the CiAL Review Notice is received by the Emitter (the **"CiAL Review Response Deadline"**).
- 32.7 The Emitter shall, as soon as reasonably practicable and not later than the CiAL Review Response Deadline, give a notice to the ICC Contract Counterparty (the **"CiAL Review Response Notice"**). A CiAL Review Response Notice:
- (A) shall include all of the Supporting Information which the Emitter wishes the ICC Contract Counterparty to take account of in undertaking the CiAL Review; and
 - (B) may set out the Emitter's opinion of the Required CiAL Amendment(s).
- 32.8 The ICC Contract Counterparty may disregard any CiAL Review Response Notice received after the CiAL Review Response Deadline.

Notification of outcome of CiAL Review

- 32.9 The ICC Contract Counterparty shall give a notice to the Emitter of the outcome of a CiAL Review (a **"CiAL Review Outcome Notice"**) as soon as reasonably practicable following the conclusion of a CiAL Review. A CiAL Review Outcome Notice shall:
- (A) set out the outcome of the CiAL Review and, if applicable, the Required CiAL Amendments; and
 - (B) specify the date from which such Required CiAL Amendments are to take effect.

33. CHANGE IN APPLICABLE LAW: DISPUTE PROCESS

Procedure for raising a Dispute

- 33.1 The Emitter may, no later than twenty (20) Business Days after receipt of a CiAL Review Outcome Notice, give a notice to the ICC Contract Counterparty that it wishes to raise a Dispute in relation to the outcome of such CiAL Review (a **"CiAL Dispute"**, such notice a **"CiAL Dispute Notice"** and any such Emitter, a **"CiAL Dispute Emitter"**). Each CiAL Dispute Notice shall comply with the requirements of a Dispute Notice as specified in Conditions 41.3(A) to 41.3(H) (*Outline of Dispute Resolution Procedure*) (inclusive).

Validity of CiAL Dispute Notices

- 33.2 The Emitter acknowledges and agrees that all CiAL Dispute Notices shall be invalid and of no effect if the CiAL Dispute Threshold Criterion in respect of the relevant CiAL Dispute is not met.
- 33.3 The ICC Contract Counterparty shall notify the Emitter no later than ten (10) Business Days after the CiAL Dispute Threshold Criterion has been met (irrespective of whether or not the Emitter is a CiAL Dispute Emitter) (a "**CiAL Dispute Validity Notice**"). A CiAL Dispute Validity Notice shall:
- (A) include a proposal as to the identity, and terms of reference, of an Expert to determine the CiAL Dispute (the "**Proposed CiAL Expert**") and details of the relevant expertise that the ICC Contract Counterparty considers qualifies the Proposed CiAL Expert to determine such CiAL Dispute (being a person fulfilling the requirements of Condition 43.2 (*Expert Determination Procedure*) and having no conflict of interest which prevents the Proposed CiAL Expert from determining the CiAL Dispute);
 - (B) comply with the requirements of an Expert Determination Notice as specified in Condition 43.1 (*Expert Determination Procedure*); and
 - (C) comply with the requirements of a Consolidation Request as specified in Condition 45.2 (*Consolidation of Connected Disputes*).

Permitted bases of Dispute: CiAL Review

- 33.4 The Emitter acknowledges and agrees that it may only raise a Dispute with respect to the outcome of any CiAL Review if there is a manifest error or fraud in any determination by the ICC Contract Counterparty as to:
- (A) the outcome of the CiAL Review; or
 - (B) the Required CiAL Amendments,
- in each case contained within the CiAL Review Outcome Notice, and any CiAL Dispute Notice which is based upon grounds other than those specified in this Condition 33.4 shall be invalid and of no effect.

Resolution of valid CiAL Disputes

- 33.5 If:
- (A) the CiAL Dispute Threshold Criterion is met in respect of the relevant CiAL Dispute; and
 - (B) the relevant CiAL Dispute complies with Condition 33.4,
- then such CiAL Dispute shall be finally resolved in accordance with Condition 33.6.
- 33.6 If Condition 33.5 applies to any CiAL Dispute:
- (A) Condition 42 (*Resolution by Senior Representatives*) shall not apply to such CiAL Dispute;
 - (B) no agreement between the Emitter and the ICC Contract Counterparty to settle the relevant CiAL Dispute shall be valid and binding unless such resolution is agreed with all ICC Emitters;

- (C) the Arbitration Procedure shall not apply to such CiAL Dispute;
- (D) the Emitter agrees not to raise any objection to the consolidation of such CiAL Dispute in accordance with Condition 45 (*Consolidation of Connected Disputes*);
- (E) the Expert Determination Procedure shall apply to such CiAL Dispute on the basis that:
 - (i) (if the Expert Appointment Threshold is met) the ICC Contract Counterparty shall be deemed to have satisfied the requirements of, and to have given an Expert Determination Notice pursuant to, Condition 43.1 and the Parties will be deemed to have agreed to both the identity and the terms of reference of the Proposed CiAL Expert;
 - (ii) (if the Expert Appointment Threshold is not met) the ICC Contract Counterparty may, within ten (10) Business Days, either:
 - (a) make an alternative proposal as to the identity and the terms of reference of an Expert to determine the CiAL Dispute; or
 - (b) (1) request the LCIA to nominate an Expert for the purposes of determining the CiAL Dispute in accordance with Condition 43.4; and (2) following such nomination by the LCIA, the ICC Contract Counterparty shall make an alternative proposal as to the terms of reference of such Expert to determine the CiAL Dispute,

in each case, Conditions 33.3(A) and 33.6(E)(i), and this Condition 33.6(E)(ii), shall apply to such proposed Expert as if that Expert were a Proposed CiAL Expert. The identity and the terms of reference of the Proposed CiAL Expert shall be determined by the ICC Contract Counterparty in its sole and absolute discretion (after having regard to any submissions presented by any ICC Emitter) and any such determination shall be final and binding on the parties, provided that the terms of reference shall be sufficiently broad to enable the Expert to determine the CiAL Dispute;
 - (iii) if the ICC Contract Counterparty and the ICC Emitters fail to agree on the terms of appointment of the Expert within ten (10) Business Days of the parties agreeing the identity and terms of reference of an Expert in accordance with Condition 33.6(E)(i) or 33.6(E)(ii), as applicable, such matter shall be determined by the ICC Contract Counterparty in its sole and absolute discretion (after having regard to any submissions presented by any ICC Emitter) and any such determination shall be final and binding on the parties, provided that the terms of appointment shall comply with the requirements of Condition 33.6(E)(iv);
 - (iv) Condition 43.5 shall be deemed to have been modified such that the Parties shall use reasonable endeavours to procure that the terms of appointment of the Expert prohibit the Expert from disclosing any Supporting Information disclosed or delivered by:
 - (a) the Emitter to the Expert in consequence of, or in respect of, their appointment as the Expert to any other ICC Emitter; or
 - (b) the ICC Contract Counterparty to the Expert in consequence of, or in respect of, their appointment as the Expert to any ICC Emitter other than the Emitter;

- (v) the Expert will be instructed, in establishing or modifying the procedure for the determination of the CiAL Dispute, to afford the Emitter an opportunity to make submissions in respect of the CiAL Dispute irrespective of whether or not the Emitter is a CiAL Dispute Emitter;
 - (vi) if the circumstances described in Condition 43.8 arise, Conditions 33.3(A), 33.6(E)(i) and 33.6(E)(ii) shall apply, with the necessary modifications, to the appointment of a replacement Expert;
 - (vii) for the purposes of Condition 43.12, the Expert shall be: (a) required to include in their determination provision for the allocation of their fees and the costs and expenses of the ICC Contract Counterparty among each of the CiAL Dispute Emitters in such manner as the Expert, in their absolute discretion, determines is fair and equitable if the Expert makes a determination against the CiAL Dispute Emitters; and (b) permitted to allocate their fees and the costs and expenses of the ICC Contract Counterparty in such manner as the Expert determines is fair and equitable if the Expert makes a determination in favour of the CiAL Dispute Emitters; and
 - (viii) the Expert shall, notwithstanding any other provision of the Expert Determination Procedure, be instructed to reach a determination which is to be applied to all CCUS Programme ICC Contracts; and
- (F) the Emitter acknowledges and agrees that the determination of the Expert in any CiAL Dispute shall be applied to all CCUS Programme ICC Contracts, irrespective of whether the Emitter was a party to the CiAL Dispute giving rise to that determination.

Expert Appointment Threshold

- 33.7 For the purposes of Conditions 33.6(E)(i) and 33.6(E)(ii), the **"Expert Appointment Threshold"** is that thirty per cent. (30%) or more of ICC Emitters, by mass quantity or number, have consented, or not objected in writing, to both the identity and the terms of reference of the Proposed CiAL Expert. For the purposes of determining whether the Expert Appointment Threshold is met, the ICC Contract Counterparty shall calculate:
- (A) the number of ICC Emitters which have consented or have been deemed to have consented to the Proposed CiAL Expert as a percentage of the total number of ICC Emitters; and
 - (B) the mass quantity attributable to CCUS Programme ICC Contracts to which ICC Emitters which have consented or have been deemed to have consented to the Proposed CiAL Expert are party as a percentage of the total mass quantity attributable to CCUS Programme ICC Contracts (and, for this purpose, "mass quantity" shall be calculated by the ICC Contract Counterparty using the Metered CO₂ Output to T&S Estimate in each CCUS Programme ICC Contract).

Provisions applying pending resolution of a CiAL Dispute

- 33.8 If there is a valid CiAL Dispute requiring resolution in accordance with the provisions of Conditions 33.5 and 33.6 then, pending resolution of such CiAL Dispute, there shall be no amendments or supplements to the ICC Contract as a result of the Change in Applicable Law.

CiAL Dispute Threshold Criterion

- 33.9 For the purposes of this Condition 33 (*Change in Applicable Law: Dispute process*), the **"CiAL Dispute Threshold Criterion"** is that thirty per cent. (30%) or more of ICC Emitters, by mass

quantity or number, have given the ICC Contract Counterparty a CiAL Dispute Notice in respect of any given CiAL Dispute prior to the date specified in Condition 33.1. For the purposes of determining whether the CiAL Dispute Threshold Criterion is met, the ICC Contract Counterparty shall calculate:

- (A) the number of ICC Emitters which have given a CiAL Dispute Notice as a percentage of the total number of ICC Emitters; and
- (B) the mass quantity attributable to CCUS Programme ICC Contracts to which ICC Emitters which have given a CiAL Dispute Notice are party as a percentage of the total mass quantity attributable to CCUS Programme ICC Contracts (and, for this purpose, "mass quantity" shall be calculated by the ICC Contract Counterparty using the Metered CO₂ Output to T&S Estimate in each CCUS Programme ICC Contract).

34. **CHANGE IN APPLICABLE LAW: GENERAL PROVISIONS**

34.1 The occurrence of a Change in Applicable Law that has the result of one (1) or more of the Required CiAL Amendment Objectives ceasing to be met shall not:

- (A) constitute Force Majeure or a Payment Disruption Event for the purposes of the ICC Contract; or
- (B) provide either Party the right to suspend or terminate its obligations under the ICC Contract,

provided that paragraph (A) above shall not preclude a Change in Law from constituting Force Majeure.

34.2 Subject to the provisions of Conditions 32 (*Change in Applicable Law: Procedure*), 33 (*Change in Applicable Law: Dispute process*) and this Condition 34 (*Change in Applicable Law: General provisions*), the Parties shall be relieved from liability, and deemed not to be in breach of the ICC Contract (or any other ICC Document) for any failure or delay in the performance under the ICC Contract (or any other ICC Document) if and to the extent such failure or delay is directly attributable to the occurrence and continuation of a Change in Applicable Law, provided that nothing in Conditions 32 (*Change in Applicable Law: Procedure*), 33 (*Change in Applicable Law: Dispute process*) and this Condition 34 (*Change in Applicable Law: General provisions*) shall relieve either Party from any obligation to pay any sum due and payable to the other Party pursuant to the ICC Contract (or any other ICC Document) (whether pursuant to an obligation to pay, an indemnity, a costs reimbursement provision or otherwise).

34.3 Any costs and expenses, or risks, arising from a Change in Applicable Law which are not of a type provided for in the ICC Contract are not intended by the provisions of Conditions 32 (*Change in Applicable Law: Procedure*), 33 (*Change in Applicable Law: Dispute process*) and this Condition 34 (*Change in Applicable Law: General provisions*) to be allocated to one (1) Party; and any such costs and expenses, or risks, shall be borne by the affected Party.

Part 8 Termination

35. TERMINATION

Pre-Start Date termination

35.1 If:

- (A) (i) the Emitter fails to deliver the Milestone Requirement Notice by the Milestone Delivery Date; or (ii) (subject to Condition 35.3) neither Milestone Requirement has been complied with and fulfilled by the Milestone Delivery Date;
- (B) at any time prior to the Start Date, any Directors' Certificate provided pursuant to Condition 4.2 is not true, complete or accurate in any material respect or is misleading as at the date thereof;
- (C) at any time prior to the Start Date, a Termination Event occurs and is continuing;
- (D) any of the Initial Conditions Precedent are not fulfilled by the Emitter or waived by the ICC Contract Counterparty within twenty (20) Business Days of the Agreement Date; or
- (E) (subject to Condition 35.4) any of the Operational Conditions Precedent are not fulfilled by the Emitter or waived by the ICC Contract Counterparty by the Longstop Date,

then the ICC Contract Counterparty shall have the right, but not the obligation, to give notice to the Emitter terminating the ICC Contract (a "**Pre-Start Date Termination Notice**"). A Pre-Start Date Termination Notice shall specify:

- (i) the date (on or following the date of the Pre-Start Date Termination Notice) on which termination of the ICC Contract is designated by the ICC Contract Counterparty to take effect (the date so designated being a "**Pre-Start Date Termination Date**"); and
- (ii) in the case of termination pursuant to Condition 35.1(C), the Termination Event which has occurred.

35.2 If the ICC Contract Counterparty gives a Pre-Start Date Termination Notice, the ICC Contract shall terminate on the Pre-Start Date Termination Date even if (as the context requires):

- (A) a Milestone Requirement has been complied with and fulfilled prior to such date;
- (B) the Termination Event is no longer continuing as at such date; or
- (C) the Conditions Precedent remaining to be fulfilled when the Pre-Start Date Termination Notice was given have been fulfilled.

35.3 The ICC Contract Counterparty shall not exercise its right to terminate the ICC Contract pursuant to Condition 35.1(A) in circumstances in which the Emitter has provided a Milestone Requirement Notice no later than the Milestone Delivery Date unless and until:

- (A) the ICC Contract Counterparty has given the Emitter a Milestone Assessment Response Notice specifying that it requires Requested Milestone Supporting Information to be provided to it by the Emitter; and

- (B) either:
 - (i) the Emitter fails to provide to the ICC Contract Counterparty the Requested Milestone Supporting Information within the period specified in Condition 4.4(C)(i) (*Milestone Requirement Notice*); or
 - (ii) (a) the Requested Milestone Supporting Information is provided to the ICC Contract Counterparty within the period specified in Condition 4.4(C)(i) (*Milestone Requirement Notice*); and (b) the ICC Contract Counterparty has given the Emitter a Further Milestone Assessment Response Notice specifying that the ICC Contract Counterparty does not consider a Milestone Requirement to have been complied with and fulfilled.

35.4 The ICC Contract Counterparty shall not exercise its right to terminate the ICC Contract pursuant to Condition 35.1(E) in circumstances in which the Emitter has provided an OCP Notice no later than the Longstop Date unless and until:

- (A) the ICC Contract Counterparty has given the Emitter an OCP Response Notice specifying that it requires OCP Supporting Information to be provided to it by the Emitter; and
- (B) either:
 - (i) the Emitter fails to provide to the ICC Contract Counterparty the OCP Supporting Information within the period specified in Condition 3.10(C)(i) (*Operational Conditions Precedent: General Reporting Obligations*); or
 - (ii) (a) the requested OCP Supporting Information is provided to the ICC Contract Counterparty within the period specified in Condition 3.10(C)(i) (*Operational Conditions Precedent: General Reporting Obligations*); and (b) the ICC Contract Counterparty has given the Emitter a Further OCP Response Notice specifying that the ICC Contract Counterparty does not consider the Operational Condition Precedent to have been fulfilled.

Termination for Prolonged Force Majeure

35.5 If an event or circumstance of Force Majeure (excluding Force Majeure that occurs by reason of a Change in Law) that first occurs between the Agreement Date and the Milestone Satisfaction Date, prevents or delays the development, construction, completion, testing and/or commissioning of the Capture Plant for a continuous period of at least twelve (12) Months as determined by the ICC Contract Counterparty (a "**Prolonged FM Event**"), then the ICC Contract Counterparty shall have the right, but not the obligation, to notify the Emitter in writing (a "**Prolonged FM Event Notice**") that the ICC Contract Counterparty may terminate the ICC Contract following the expiry of a further six (6) Month period from the date of such Prolonged FM Event Notice (a "**Prolonged FM Trigger Date**") in accordance with Condition 35.6. The Prolonged FM Event Notice shall:

- (A) specify the Prolonged FM Trigger Date; and
- (B) be accompanied by such Supporting Information as the ICC Contract Counterparty considers necessary to evidence the Prolonged FM Event.

35.6 If a Prolonged FM Event has not been remedied and is continuing at the Prolonged FM Trigger Date, the ICC Contract Counterparty shall have the right, but not the obligation, to give notice to the Emitter terminating the ICC Contract (a "**Prolonged FM Termination Notice**"). A Prolonged FM Termination Notice shall specify the date (on or following the date of the

Prolonged FM Termination Notice) on which termination of the ICC Contract is designated by the ICC Contract Counterparty to take effect (the date so designated being a **"Prolonged FM Termination Date"**).

- 35.7 If the ICC Contract Counterparty issues a Prolonged FM Termination Notice in accordance with Condition 35.6, the ICC Contract shall terminate on the Prolonged FM Termination Date even if (as the context requires):
- (A) a Milestone Requirement has been complied with and fulfilled (such that the Milestone Satisfaction Date has occurred) prior to such date; or
 - (B) the Prolonged FM Event is no longer continuing as at such date.

Termination for T&S Prolonged Unavailability Event¹⁴⁹

- 35.8 If, at any time after the Agreement Date, the ICC Contract Counterparty determines that:
- (A) one (1) of the following events has occurred and has been continuing for a continuous period of at least [six (6)] Months:
 - (i) a T&S Commissioning Delay Event; or
 - (ii) a Full T&S Outage Event¹⁵⁰; or
 - (B) a T&S Cessation Event has occurred,
- (a **"T&S Prolonged Unavailability Event"**), the ICC Contract Counterparty shall have the right, but not the obligation, to give notice to the Emitter of the occurrence of such T&S Prolonged Unavailability Event (a **"T&S Prolonged Unavailability Event Notice"**) and the Emitter agrees and acknowledges that it shall not be entitled to refer any determination made by the ICC Contract Counterparty pursuant to this Condition 35.8 to the Dispute Resolution Procedure. A T&S Prolonged Unavailability Event Notice shall:
- (i) specify the date:
 - (a) by which the Emitter shall give a notice responding to the ICC Contract Counterparty in accordance with Condition 35.9, being the date which falls [six (6)] Months, from the date of the T&S Prolonged Unavailability Event Notice (the **"Emitter T&S Prolonged Unavailability Response Deadline"**); and
 - (b) on and from which, without prejudice to the ICC Contract Counterparty's rights under Condition 35.15, the ICC Contract Counterparty may terminate the ICC Contract being the date which falls thirty (30) Months from the date of the T&S Prolonged Unavailability Event Notice (the **"T&S Prolonged Unavailability Remediation Deadline"**); and
 - (ii) be accompanied by such Supporting Information as the ICC Contract Counterparty considers necessary to evidence the T&S Prolonged Unavailability Event.

¹⁴⁹ Note to Reader: The time periods in this section are subject to further consideration by BEIS.

¹⁵⁰ Note to Reader: BEIS is considering whether this termination right will also apply to substantial outages of the T&S Network.

35.9 No later than the Emitter T&S Prolonged Unavailability Response Deadline, the Emitter shall give notice to the ICC Contract Counterparty (a **"T&S Prolonged Unavailability Response Notice"**). A T&S Prolonged Unavailability Response Notice shall:

- (A) specify that:
 - (i) the T&S Prolonged Unavailability Event is no longer continuing as at such date, whereby such notice shall be accompanied by such Supporting Information as the Emitter considers necessary to evidence the same;¹⁵¹
 - (ii) the Emitter considers that the T&S Prolonged Unavailability Event will be remedied by the T&S Prolonged Unavailability Remediation Deadline, whereby such notice shall be accompanied by such Supporting Information as the Emitter considers necessary to evidence the same; or
 - (iii) the Emitter intends to provide the ICC Contract Counterparty with and implement an Alternative T&S Network Solution Plan, following which Condition 35.13 shall apply; or
 - (iv) the Emitter considers that the T&S Prolonged Unavailability Event will not be remedied by the T&S Prolonged Unavailability Remediation Deadline and the Emitter cannot provide a feasible Alternative T&S Network Solution Plan due to one (1) or more of the following reasons (each a **"No Alternative T&S Solution Reason"**):
 - (a) it is not technically feasible for the Emitter, acting in accordance with the Reasonable and Prudent Standard, to connect the Installation to an alternative CO₂ T&S Network Delivery Point and T&S Network or permanent storage site;
 - (b) the implementation of an Alternative T&S Network Solution Plan would be illegal;
 - (c) it is not economically feasible for the Emitter, acting in accordance with the Reasonable and Prudent Standard, to connect the Installation to an alternative CO₂ T&S Network Delivery Point and T&S Network or permanent storage site;
 - (d) there is no feasible alternative T&S Network which can permanently store the CO₂ from the Installation; and/or
 - (e) any other reason which will, or is reasonably likely to, justify the decision not to provide an Alternative T&S Network Solution Plan,
- (B) include Supporting Information evidencing, in reasonable detail, the steps that the Emitter has taken and/or proposes to take to comply with Condition 48.3 (*Mitigation*) and the Reasonable and Prudent Standard.

35.10 Each T&S Prolonged Unavailability Response Notice and (where Condition 35.12(B)(ii) applies) T&S Prolonged Unavailability Further Response Notice shall be accompanied by a Directors' Certificate in relation to the information contained in, and enclosed with, the T&S Prolonged

¹⁵¹ Note to Reader: BEIS is considering what is needed from the relevant T&S Operator to verify that the T&S Prolonged Unavailability Event has been remedied.

Unavailability Response Notice or T&S Prolonged Unavailability Further Response Notice (as applicable).

35.11 The ICC Contract Counterparty shall, no later than [thirty (30)] Business Days after receipt of: (i) a T&S Prolonged Unavailability Response Notice in accordance with Condition 35.9(A)(i) or 35.9(A)(ii); (ii) Supporting Information in accordance with Condition 35.9(B); or (iii) a T&S Prolonged Unavailability Further Response Notice in accordance with Condition 35.12(B)(ii), give a notice to the Emitter (a **"T&S Prolonged Unavailability Review Notice"**). A T&S Prolonged Unavailability Review Notice shall specify whether the ICC Contract Counterparty considers that:

- (A) if the T&S Prolonged Unavailability Response Notice relates to Condition 35.9(A)(i):
 - (i) the Emitter has or has not delivered evidence, in form and content satisfactory to the ICC Contract Counterparty (acting reasonably), that the T&S Prolonged Unavailability Event is no longer continuing as at such date; or
 - (ii) it has not been provided with sufficient Supporting Information to determine whether the T&S Prolonged Unavailability Event is no longer continuing as at such date and, if so, such notice shall contain details of the additional Supporting Information which the ICC Contract Counterparty requires to make such a determination;
- (B) if the T&S Prolonged Unavailability Response Notice relates to Condition 35.9(A)(ii) or the ICC Contract Counterparty has received Supporting Information in respect of Condition 35.9(A)(ii) in accordance with Condition 35.9(B) or a T&S Prolonged Unavailability Further Response Notice in respect of Condition 35.9(A)(ii) in accordance with Condition 35.12(B)(ii)(b):
 - (i) the Emitter has or has not delivered evidence, in form and content satisfactory to the ICC Contract Counterparty (acting reasonably), that the T&S Prolonged Unavailability Event will be remedied by the T&S Prolonged Unavailability Remediation Deadline; or
 - (ii) the Emitter has not been provided with sufficient Supporting Information to determine whether the T&S Prolonged Unavailability Event will be remedied by the T&S Prolonged Unavailability Remediation Deadline and, if so, such notice shall contain details of the additional Supporting Information which the ICC Contract Counterparty requires to make such a determination;
- (C) if the T&S Prolonged Unavailability Response Notice relates to Condition 35.9(A)(iv) or the ICC Contract Counterparty has received Supporting Information in respect of Condition 35.9(A)(iv) in accordance with Condition 35.9(B) or a T&S Prolonged Unavailability Further Response Notice in respect of Condition 35.9(A)(iv) in accordance with Condition 35.12(B)(ii)(d):
 - (i) the Emitter has or has not delivered evidence, in form and content satisfactory to the ICC Contract Counterparty, that the T&S Prolonged Unavailability Event will not be remedied by the T&S Prolonged Unavailability Remediation Deadline and the Emitter cannot provide a feasible Alternative T&S Network Solution Plan; or
 - (ii) it has not been provided with sufficient Supporting Information to determine whether the T&S Prolonged Unavailability Event will not be remedied by the T&S Prolonged Unavailability Remediation Deadline and the Emitter cannot provide a feasible Alternative T&S Network Solution Plan and, if so, such notice shall

contain details of the additional Supporting Information which the ICC Contract Counterparty requires to make such a determination.

35.12 If the ICC Contract Counterparty states in the T&S Prolonged Unavailability Review Notice that:

- (A) if the T&S Prolonged Unavailability Response Notice relates to Condition 35.9(A)(i), the Emitter has delivered satisfactory evidence that the T&S Prolonged Unavailability Event is no longer continuing as at such date, then the T&S Prolonged Unavailability Event will be deemed to have been remedied for the purposes of the ICC Contract; or
- (B) the Emitter has not delivered satisfactory evidence that the T&S Prolonged Unavailability Event:
 - (i) if the T&S Prolonged Unavailability Response Notice relates to Condition 35.9(A)(i), is no longer continuing as at such date, then the T&S Prolonged Unavailability Event will be deemed to have not been remedied for the purposes of the ICC Contract; or
 - (ii) if the T&S Prolonged Unavailability Response Notice relates to Condition 35.9(A)(ii), will be remedied by the T&S Prolonged Unavailability Remediation Deadline then, as soon as reasonably practicable, but no later than the Alternative T&S Network Solution Plan Deadline, the Emitter shall give notice to the ICC Contract Counterparty (a **"T&S Prolonged Unavailability Further Response Notice"**). A T&S Prolonged Unavailability Further Response Notice shall specify that:
 - (a) the T&S Prolonged Unavailability Event is no longer continuing as at the date of such notice, whereby such notice shall be accompanied by such Supporting Information as the Emitter considers necessary to evidence the same, following which Condition 35.11 shall reapply;
 - (b) the Emitter considers that the T&S Prolonged Unavailability Event will be remedied by the T&S Prolonged Unavailability Remediation Deadline, whereby such notice shall be accompanied by such Supporting Information as the Emitter considers necessary to evidence the same, following which Condition 35.11 shall reapply;
 - (c) the Emitter intends to implement an Alternative T&S Network Solution Plan, whereby such notice shall be accompanied by a draft Alternative T&S Network Solution Plan (with Supporting Information), following which Condition 35.11 shall apply; or
 - (d) the Emitter considers that the T&S Prolonged Unavailability Event will not be remedied by the T&S Prolonged Unavailability Remediation Deadline and the Emitter cannot provide a feasible Alternative T&S Network Solution Plan due to one (1) or more of the No Alternative T&S Network Solution Reasons, whereby such notice shall be accompanied by such Supporting Information as the Emitter considers necessary to evidence the same, following which Condition 35.11 shall reapply;
 - (iii) the Emitter has not provided sufficient Supporting Information to enable the ICC Contract Counterparty to determine:
 - (a) if the T&S Prolonged Unavailability Response Notice relates to Condition 35.9(A)(i), whether the T&S Prolonged Unavailability Event is no longer continuing as at the date of such notice;

- (b) if T&S Prolonged Unavailability Response Notice relates to Condition 35.9(A)(ii), whether the T&S Prolonged Unavailability Event will be remedied by the T&S Prolonged Unavailability Remediation Deadline; or
- (c) if Condition 35.9(A)(iv) applies, whether the T&S Prolonged Unavailability Event will not be remedied by the T&S Prolonged Unavailability Remediation Deadline and the Emitter cannot provide a feasible Alternative T&S Network Solution Plan,

then the Emitter shall provide such Supporting Information to the ICC Contract Counterparty within [twenty (20)] Business Days of the date of the T&S Prolonged Unavailability Review Notice and Condition 35.11 shall reapply.

35.13 If this Condition 35.13 applies:

- (A) the Emitter shall prepare and submit to the ICC Contract Counterparty for the ICC Contract Counterparty's approval a draft Alternative T&S Network Solution Plan (with Supporting Information) no later than the Alternative T&S Network Solution Plan Deadline; and
- (B) the ICC Contract Counterparty shall, no later than [six (6)] Months after receipt of the draft Alternative T&S Network Solution Plan (and Supporting Information), give a notice to the Emitter (an **"Alternative T&S Network Review Notice"**) which shall specify whether the ICC Contract Counterparty:
 - (i) approves the draft Alternative T&S Network Solution Plan without amendment, following which the draft Alternative T&S Network Solution Plan shall become the Approved Alternative T&S Network Solution Plan;
 - (ii) requires the Emitter to provide additional Supporting Information in relation to the draft Alternative T&S Network Solution Plan, in order for the ICC Contract Counterparty to assess whether or not to approve such plan;
 - (iii) requires amendments to the draft Alternative T&S Network Solution Plan, in which case the Alternative T&S Network Review Notice shall provide the Emitter with sufficient detail in relation to such required amendments; or
 - (iv) in its sole and absolute discretion, rejects the draft Alternative T&S Network Solution Plan, in which case the Alternative T&S Network Review Notice shall provide the Emitter with such Supporting Information as the ICC Contract Counterparty considers necessary to evidence the reasons for such rejection and the Emitter agrees and acknowledges that it shall not be entitled to refer any decision made by the ICC Contract Counterparty pursuant to this Condition 35.13(B)(iv) to the Dispute Resolution Procedure.

35.14 The Emitter shall no later than [twenty (20)] Business Days after receipt of an Alternative T&S Network Review Notice, submit to the ICC Contract Counterparty:

- (A) if Condition 35.13(B)(ii) applies, the relevant additional Supporting Information specified in the Alternative T&S Network Review Notice;
- (B) if Condition 35.13(B)(iii) applies, an amended draft Alternative T&S Network Solution Plan which includes the amendments specified in the Alternative T&S Network Review Notice; or

- (C) if Condition 35.13(B)(iv) applies, an amended draft Alternative T&S Network Solution Plan,

and Condition 35.13(B) shall then reapply.

Failure to comply with T&S Prolonged Unavailability Procedure Obligation: Suspension

35.15 If the Emitter fails to give:

- (A) a T&S Prolonged Unavailability Response Notice to the ICC Contract Counterparty by the Emitter T&S Prolonged Unavailability Response Deadline pursuant to Condition 35.9;
- (B) if applicable, a T&S Prolonged Unavailability Further Response Notice to the ICC Contract Counterparty by the Alternative T&S Network Solution Plan Deadline pursuant to Condition 35.12(B)(ii);
- (C) if applicable, the relevant Supporting Information to enable the ICC Contract Counterparty to assess the T&S Prolonged Unavailability Response Notice pursuant to Condition 35.12(B)(iii),
- (D) if applicable, a draft Alternative T&S Network Solution Plan to the ICC Contract Counterparty by the Alternative T&S Network Solution Plan Deadline pursuant to Condition 35.13(A);
- (E) if applicable, the relevant additional Supporting Information specified in the Alternative T&S Network Review Notice pursuant to Condition 35.14(A), if an Alternative T&S Network Review Notice relates to Condition 35.13(B)(ii); and/or
- (F) if applicable, an amended draft Alternative T&S Network Solution Plan which includes the amendments specified in the Alternative T&S Network Review Notice pursuant to 35.14(B),

(each a "**T&S Prolonged Unavailability Procedure Obligation**"),

the ICC Contract Counterparty may elect to suspend any Payments which would otherwise be payable by the ICC Contract Counterparty to the Emitter in any period during which the Emitter is in breach of a T&S Prolonged Unavailability Procedure Obligation, provided that, prior to effecting any such suspension, the ICC Contract Counterparty shall notify the Emitter of: (i) its intention to suspend such Payments; and (ii) the date from which it proposes to effect such suspension.

35.16 If the Emitter subsequently complies with the relevant T&S Prolonged Unavailability Procedure Obligation(s), then the ICC Contract Counterparty shall pay any amounts to the Emitter which would have been payable but for the operation of Condition 35.15. The ICC Contract Counterparty may elect to make such payment on a lump sum, staged or daily basis. No Compensatory Interest or Default Interest shall be payable in respect of any amount payable pursuant to this Condition 35.16.

35.17 If Condition 35.13(B)(i) applies:

- (A) as soon as reasonably practicable after receipt of the Alternative T&S Network Review Notice and in any event, no later than [sixty (60)] Business Days after such date, the Emitter shall commence the implementation of the Approved Alternative T&S Network Solution Plan, and the Emitter shall continue to implement the Approved Alternative T&S Network Solution Plan in accordance with its terms in order to remedy the T&S Prolonged Unavailability Event; and

- (B) the Emitter shall notify the ICC Contract Counterparty in writing no later than [five (5)] Business Days following the date on which the Emitter fully implements the Approved Alternative T&S Network Solution Plan such that the T&S Prolonged Unavailability Event has been remedied (an **"Emitter T&S Prolonged Unavailability Remediation Notice"**) together with such Supporting Information, in form and content satisfactory to the ICC Contract Counterparty (acting reasonably), to evidence that the T&S Prolonged Unavailability Event has been remedied.
- 35.18 The Emitter shall keep the ICC Contract Counterparty reasonably informed as to the progress towards remediation of the T&S Prolonged Unavailability Event and, in particular, shall provide the ICC Contract Counterparty with reports (in a form, content and frequency satisfactory to the ICC Contract Counterparty) of the progress made in or towards the remediation of the T&S Prolonged Unavailability Event.
- 35.19 The Emitter shall give the ICC Contract Counterparty a notice promptly upon the Emitter becoming aware of any fact, matter or circumstance which will or is reasonably likely to:
- (A) significantly affect the accuracy of any T&S Prolonged Unavailability Response Notice or T&S Prolonged Unavailability Further Response Notice, including any accompanying Supporting Information;
 - (B) where the Emitter has notified or has been deemed to have notified the ICC Contract Counterparty that the T&S Prolonged Unavailability Event will be remedied by the T&S Prolonged Unavailability Remediation Deadline, prevent (or delay) the remediation of the T&S Prolonged Unavailability Event by the T&S Prolonged Unavailability Remediation Deadline; or
 - (C) where Condition 35.13(B)(i) applies, prevent (or delay) the implementation of an Approved Alternative T&S Network Solution Plan in accordance with its terms in order to remedy the T&S Prolonged Unavailability Event.
- 35.20 The Emitter shall ensure that:
- (A) all forecasts, forward-looking statements and data provided by or on behalf of the Emitter pursuant to Conditions 35.9 to 35.19 are prepared in good faith, on a reasonable basis and with due care and attention; and
 - (B) all other Information provided by or on behalf of the Emitter pursuant to Conditions 35.9 to 35.19 is true, complete and accurate in all material respects and is not misleading.

Termination for failing to remedy a T&S Prolonged Unavailability Event

- 35.21 If:
- (A) subject to limbs (B), (C) and (D), the T&S Prolonged Unavailability Event has not been remedied by the T&S Prolonged Unavailability Remediation Deadline;
 - (B) where Condition 35.9(A)(iv) applies, the Emitter has delivered evidence to the satisfaction of the ICC Contract Counterparty that the T&S Prolonged Unavailability Event will not be remedied by the T&S Prolonged Unavailability Remediation Deadline and the Emitter cannot provide a feasible Alternative T&S Network Solution Plan;
 - (C) where Condition 35.13 applies, the ICC Contract Counterparty rejects the draft Alternative T&S Network Solution Plan pursuant to Condition 35.13(B)(iv); or
 - (D) where Condition 35.13(B)(i) applies but no earlier than the T&S Prolonged Unavailability Remediation Deadline, and subject to Condition 35.25, the Emitter fails

to commence and continue to implement an Approved Alternative T&S Network Solution Plan in accordance with its terms in order to remedy the T&S Prolonged Unavailability Event (notwithstanding that the T&S Prolonged Unavailability Event has not been remedied by the T&S Prolonged Unavailability Remediation Deadline),

then the ICC Contract Counterparty shall have the right, but not the obligation, to give notice to the Emitter terminating the ICC Contract (a **"T&S Prolonged Unavailability Termination Notice"**). A T&S Prolonged Unavailability Termination Notice shall specify the date (on or following the date of the T&S Prolonged Unavailability Termination Notice) on which termination of the ICC Contract is designated by the ICC Contract Counterparty to take effect (the date so designated being a **"T&S Prolonged Unavailability Termination Date"**).

35.22 No later than ten (10) Business Days after receipt of a T&S Prolonged Unavailability Termination Notice, the Emitter shall give notice to the ICC Contract Counterparty (a **"T&S Termination Response Notice"**). A T&S Termination Response Notice shall:

- (A) specify the Emitter's good faith estimate of the T&S Termination Payment; and
- (B) include such Supporting Information as the Emitter considers necessary to enable the ICC Contract Counterparty to calculate the T&S Termination Payment, in particular the details required to calculate the formula set out in paragraph 2 of Part A (*Calculation of T&S Termination Payment*) of Annex 3 (*Calculation of Termination Payments*).

35.23 A T&S Termination Response Notice shall be accompanied by a Directors' Certificate in relation to the information contained in, and enclosed with, the T&S Termination Response Notice.

35.24 Following the delivery of a T&S Prolonged Unavailability Termination Notice, the ICC Contract shall terminate on the T&S Prolonged Unavailability Termination Date even if the T&S Prolonged Unavailability Event is no longer continuing on the T&S Prolonged Unavailability Termination Date.

35.25 To the extent that the Emitter is prevented from or delayed in implementing an Approved Alternative T&S Network Solution Plan in accordance with Condition 35.21(D) as a direct result of the occurrence and continuance of Force Majeure in respect of which the Emitter is the FM Affected Party, then:

- (A) the Emitter shall be relieved from liability and deemed not to be in breach of Condition 35.21(D); and
- (B) any agreed milestones set out in the Approved Alternative T&S Network Solution Plan shall be extended day for day for each day of delay to the implementation of the Approved Alternative T&S Network Solution Plan,

but only to the extent that the Emitter has satisfied the requirements and conditions of Condition 53 (*Force Majeure*).

Default termination

35.26 If, at any time on or after the Start Date, a Termination Event has occurred and is continuing, the ICC Contract Counterparty shall have the right, but not the obligation, to give notice to the Emitter terminating the ICC Contract (a **"Default Termination Notice"**). A Default Termination Notice shall specify:

- (A) the date (on or following the date of the Default Termination Notice) on which termination of the ICC Contract is designated by the ICC Contract Counterparty to take effect (the date so designated being a **"Default Termination Date"**); and
- (B) the Termination Event which has occurred.

35.27 If the ICC Contract Counterparty gives a Default Termination Notice to the Emitter, the ICC Contract shall terminate on the Default Termination Date even if the Termination Event is no longer continuing on the Default Termination Date.

Qualifying Change in Law termination

35.28 Subject to Condition 35.29, if a Qualifying Change in Law is implemented, occurs or becomes effective and gives rise to or results in a QCiL Construction Event or a QCiL Operations Cessation Event (including a Qualifying Shutdown Event), the ICC Contract Counterparty shall give notice to the Emitter terminating the ICC Contract (a **"QCiL Termination Notice"**). A QCiL Termination Notice shall specify the date (on or following the date of the QCiL Termination Notice) on which termination of the ICC Contract is designated by the ICC Contract Counterparty to take effect (the date so designated being a **"QCiL Termination Date"**).

35.29 The ICC Contract Counterparty shall not exercise its right to terminate the ICC Contract pursuant to Condition 35.28 in circumstances in which the Emitter has provided an Emitter QCiL Notice or an Emitter QCiL Response Notice unless and until the Parties have agreed that a QCiL Construction Event or QCiL Operations Cessation Event has occurred or a determination to that effect has been made pursuant to the Dispute Resolution Procedure.

QCiL Compensation termination

35.30 The ICC Contract Counterparty shall have the right, but not the obligation, to give notice to the Emitter terminating the ICC Contract if:

- (A) a Qualifying Change in Law occurs, is implemented or becomes effective; and
- (B) either:
 - (i) such Qualifying Change in Law occurs, is implemented or becomes effective before the Start Date and does not constitute a QCiL Construction Event; and (b) Condition 27.3(A) applies; or
 - (ii) such Qualifying Change in Law occurs, is implemented or becomes effective on or after the Start Date and does not constitute a QCiL Operations Cessation Event; and (b) Condition 27.3(B) applies,

(a **"QCiL Compensation Termination Notice"**). A QCiL Compensation Termination Notice shall specify the date (on or following the date of the QCiL Compensation Termination Notice) on which termination of the ICC Contract is designated by the ICC Contract Counterparty to take effect (the date so designated being a **"QCiL Compensation Termination Date"**).

No other termination rights

35.31 The termination rights in this Condition 35 (*Termination*) are the only rights that either Party has to terminate the ICC Contract.

Notice provisions

- 35.32 Any Pre-Start Date Termination Notice, Prolonged FM Termination Notice Default Termination Notice, T&S Prolonged Unavailability Termination Notice or QCiL Compensation Termination Notice issued by the ICC Contract Counterparty pursuant to this Condition 35 (*Termination*) may be revoked by the ICC Contract Counterparty giving written notice of the same to the Emitter at any time prior to the Pre-Start Date Termination Date, Prolonged FM Termination Date, T&S Prolonged Unavailability Termination Date, Default Termination Date or QCiL Compensation Termination Date (as applicable) and, upon such revocation, the Pre-Start Date Termination Notice, Prolonged FM Termination Notice, Default Termination Notice, T&S Prolonged Unavailability Termination Notice or QCiL Compensation Termination Notice (as applicable) shall cease to have any effect.

36. CONSEQUENCES OF TERMINATION

Consequences of termination: General

- 36.1 Termination of the ICC Contract pursuant to Condition 35.1 (*Pre-Start Date termination*), 35.5 (*Termination for Prolonged Force Majeure*), 35.21 (*Termination for failing to remedy a T&S Prolonged Unavailability Event*), 35.26 (*Default termination*), 35.28 (*Qualifying Change in Law Termination*) or 35.30 (*QCiL Compensation termination*):

- (A) shall not affect, and shall be without prejudice to, the accrued rights and liabilities of each Party and the rights and liabilities of each Party arising as a result of:
 - (i) any antecedent breach of any provision of the ICC Contract; and
 - (ii) any breach of any provisions of the ICC Contract which are expressed to survive expiry pursuant to Condition 38 (*Survival*); and
- (B) shall be subject to Condition 38 (*Survival*).

Consequences of Pre-Start Date termination and termination for Prolonged Force Majeure

- 36.2 Subject to Condition 36.1, if the ICC Contract Counterparty terminates the ICC Contract pursuant to Condition 35.1 (*Pre-Start Date termination*) or Condition 35.5 (*Termination for Prolonged Force Majeure*):

- (A) no payment shall be payable by either Party to the other Party as a consequence of such termination;
- (B) all rights and obligations of the Parties under the ICC Contract shall end; and
- (C) neither Party shall be entitled to make any claim against the other Party under or in respect of the ICC Contract.

Consequences of T&S Prolonged Unavailability Event termination

- 36.3 If the ICC Contract Counterparty terminates the ICC Contract pursuant to Condition 35.21 (*Termination for failing to remedy a T&S Prolonged Unavailability Event*), as soon as reasonably practicable after receipt of the T&S Termination Response Notice pursuant to Condition 35.22 (*Termination for failing to remedy a T&S Prolonged Unavailability Event*), the ICC Contract Counterparty shall:

- (A) calculate the T&S Termination Payment; and
- (B) give a notice to the Emitter (a "**T&S Termination Payment Notice**"). A T&S Termination Payment Notice shall specify:

- (i) the amount of the T&S Termination Payment;
- (ii) the principal inputs used by the ICC Contract Counterparty to calculate the T&S Termination Payment; and
- (iii) whether the T&S Termination Payment shall be effected (after consultation with the Emitter) as a lump sum payment or staged payments.

36.4 Subject to Condition 36.5:

- (A) if the T&S Termination Payment is to be effected as a lump sum payment, the ICC Contract Counterparty shall no later than thirty (30) Business Days after the date of the T&S Termination Payment Notice, pay to the Emitter (or such person as the Emitter may direct) the T&S Termination Payment; or
- (B) if the T&S Termination Payment is to be effected as staged payments, the ICC Contract Counterparty shall commence payment no later than ten (10) Business Days after the date of the T&S Termination Payment Notice and the final payment shall be made by the earlier of: (i) the date that is five (5) years from the date of the T&S Termination Payment Notice; and (ii) the Expiry Date.

36.5 The ICC Contract Counterparty may set off against the T&S Termination Payment any or all other amounts owing (whether or not matured, contingent or invoiced) by the Emitter to the ICC Contract Counterparty as at the T&S Prolonged Unavailability Termination Date. The right of set off shall be without prejudice and in addition to any other right to which the ICC Contract Counterparty is otherwise entitled. If an amount is unascertained, the ICC Contract Counterparty may reasonably estimate the amount to be set off, subject to subsequent adjustment within twenty-eight (28) calendar days of the amount becoming ascertained.

36.6 Subject to Conditions 36.1, 36.3, 36.4 and 36.5, if the ICC Contract Counterparty terminates the ICC Contract pursuant to Condition 35.21 (*Termination for failing to remedy a T&S Prolonged Unavailability Event*):

- (A) no payment shall be payable by either Party to the other Party as a consequence of such termination;
- (B) all rights and obligations of the Parties under the ICC Contract shall end; and
- (C) neither Party shall be entitled to make any claim against the other Party under or in respect of the ICC Contract.

Consequences of default termination

36.7 If the ICC Contract Counterparty terminates the ICC Contract pursuant to Condition 35.26 (*Default termination*), the ICC Contract Counterparty shall:

- (A) on, or as soon as reasonably practicable after, the Default Termination Date, calculate the Default Termination Payment; and
- (B) give a notice to the Emitter (a "**Default Termination Payment Notice**"). A Default Termination Payment Notice shall specify the amount of the Default Termination Payment along with the principal inputs used by the ICC Contract Counterparty to calculate such Default Termination Payment.

36.8 The Emitter shall no later than thirty (30) Business Days after notification of the amount of the Default Termination Payment, pay to the ICC Contract Counterparty (or such person as the ICC Contract Counterparty may direct) the Default Termination Payment, which amount shall

bear interest in accordance with Condition 12 (*Default Interest*), and no dispute by the Emitter as to the amount of the Default Termination Payment shall relieve it of its obligation pursuant to this Condition 36.8.

- 36.9 If the ICC Contract Counterparty terminates the ICC Contract pursuant to Condition 20.9 (*Failure to remedy Minimum CO₂ Capture Rate Obligation breach*), the Default Termination Payment shall be reduced by any Payments which the ICC Contract Counterparty has suspended in accordance with Conditions 20.10 to 20.12 (*Failure to comply with Minimum CO₂ Capture Rate Obligation: Suspension*) and not subsequently paid to the Emitter in accordance with Condition 20.10 (*Failure to comply with Minimum CO₂ Capture Rate Obligation: Suspension*).
- 36.10 Subject to Conditions 36.1, 36.7 and 36.8, if the ICC Contract Counterparty terminates the ICC Contract pursuant to Condition 35.26 (*Default termination*):
- (A) no payment shall be payable by either Party to the other Party as a consequence of such termination;
 - (B) all rights and obligations of the Parties under the ICC Contract shall end; and
 - (C) neither Party shall be entitled to make any claim against the other Party under or in respect of the ICC Contract.

Consequences of Qualifying Change in Law termination and QCiL Compensation termination

- 36.11 Subject to Conditions 36.1, if the ICC Contract Counterparty terminates the ICC Contract pursuant to Condition 35.28 (*Qualifying Change in Law Termination*) or 35.30 (*QCiL Compensation termination*):
- (A) no payment shall be payable by either Party to the other Party as a consequence of such termination, except that such termination shall be without prejudice to each Party's obligation to pay any QCiL Compensation and QCiL True-Up Compensation;
 - (B) all rights and obligations of the Parties under the ICC Contract shall end; and
 - (C) (subject to paragraph (A) above) neither Party shall be entitled to make any claim against the other Party pursuant to the ICC Contract.

37. TERMINATION EVENTS

Termination Events

- 37.1 A "**Termination Event**" means the occurrence at any time with respect to the Emitter of any of the following events.
- (A) *Insolvency*: the Emitter:
 - (i) is dissolved (other than pursuant to a solvent consolidation, amalgamation or merger) or becomes insolvent or unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986;
 - (ii) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a solvent consolidation, amalgamation or merger); or
 - (iii) is subject to any event with respect to it which, pursuant to the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in Conditions 37.1(A)(i) or 37.1(A)(ii),

except where any of the events set out in this Condition 37.1(A) is attributable to the ICC Contract Counterparty not paying when due any amount which, but for the operation of Condition 55 (*Limited recourse arrangements, undertakings and acknowledgements*), would have been due pursuant to the ICC Contract.

- (B) *Non-payment*: the Emitter fails to pay any Emitter Net Payable Amount on the due date pursuant to the ICC Contract at the place at and in the currency in which it is expressed to be payable and that failure is not remedied on or before the twentieth (20th) Business Day after the ICC Contract Counterparty gives the Emitter notice of that failure (the "**NPA Payment Cure Period**") unless the failure is caused by a Payment Disruption Event in which case the NPA Payment Cure Period shall be extended day for day for each day on which the Payment Disruption Event continues.
- (C) *Credit Support Default*:
 - (i) the Emitter fails to transfer, deliver, extend, renew or replace (or procure the transfer, delivery, extension, renewal or replacement of) Acceptable Collateral in accordance with Part 9 (*Credit Support*);
 - (ii) any Letter of Credit provided pursuant to Part 9 (*Credit Support*) expires or terminates or fails or ceases to be in full force and effect in breach of, and is not extended, renewed or replaced in accordance with, Part 9 (*Credit Support*); or
 - (iii) the Emitter, or the issuer of any Letter of Credit, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of a Letter of Credit provided to the ICC Contract Counterparty pursuant to Part 9 (*Credit Support*), unless such disclaimer, repudiation, rejection or challenge is withdrawn or a substitute Letter of Credit is provided to the ICC Contract Counterparty no later than five (5) Business Days after such disclaimer, repudiation, rejection or challenge.
- (D) *Breach of key obligations*:
 - (i) the Emitter is in breach of any of Conditions 18.1(E) (*Ownership*) or 63 (*Transfers*); or
 - (ii) any director, officer or other senior manager of the Emitter commits or procures fraud, or aids, abets or counsels fraud (and fraud is in fact committed) in relation to the ICC Contract, any other ICC Document or the Grant Funding Agreement.
- (E) *Metering*: a Technical Compliance Termination Event or a Metering Access Termination Event occurs.
- (F) *Minimum CO₂ Capture Rate*: a Capture Rate Termination Event occurs.
- (G) *CO₂ Metering Data*: a Misleading CO₂ Metering Data Termination Event occurs.
- (H) *Full Capture Outage Events*: a Misleading Full Capture Outage Event Notification Termination Event or a Full Capture Outage Event Access Termination Event occurs.
- (I) *Carbon Intensity*: a Carbon Intensity Termination Event occurs.
- (J) *Cross-default*: the Grant Funding Agreement is terminated due to the Emitter's breach or default.

38. **SURVIVAL**

38.1 Upon termination or expiry of the ICC Contract, the Parties shall have no further obligations under the ICC Contract but termination or expiry shall not affect:

- (A) (save to the extent taken into account in the calculation of the Default Termination Payment or the T&S Termination Payment (if any)), the provisions of the ICC Contract as they relate to the payment of any sum due by one Party to the other pursuant to the ICC Contract; and
- (B) the continued existence and validity of, and the rights and obligations of the Parties pursuant to Part 1 (*Introduction*), Conditions 3.42 and 3.43 (*Set-Off of Previous Subsidy*), Part 5 (*Billing and payment*), this Part 8 (*Termination*), Conditions 40.14 and 40.15 (*Termination*), and Part 10 (*Dispute Resolution*) to Part 13 (*Miscellaneous*) (inclusive).

Part 9 Credit Support

39. COLLATERAL REQUIREMENT

Notification of collateral requirement

- 39.1 If there is a Payment Failure on more than one (1) occasion within any twelve (12) Month period, the ICC Contract Counterparty may (irrespective of whether or not the Emitter has paid any of the Emitter Net Payable Amounts owing within the applicable NPA Payment Cure Period) give the Emitter a notice on the second (2nd) of those occurrences (a **"Second Payment Failure Notice"**). A Second Payment Failure Notice shall identify the Billing Periods to which such Payment Failures relate.
- 39.2 If there have been Payment Failures on three (3) or more occasions in any twelve (12) Month period, the ICC Contract Counterparty may (irrespective of whether or not the Emitter has paid any of the Emitter Net Payable Amounts owing within the applicable NPA Payment Cure Period) give a notice to the Emitter (a **"Collateral Posting Notice"**). A Collateral Posting Notice shall:
- (A) identify the Billing Periods to which such Payment Failures relate;
 - (B) specify:
 - (i) the requirement for the Emitter to transfer or deliver, or procure the transfer or delivery of, Acceptable Collateral to the ICC Contract Counterparty;
 - (ii) the Collateral Amount;
 - (iii) the Collateral Posting Date; and
 - (iv) the Initial Collateral Repayment Date; and
 - (C) provide details of the Reserve Account.
- 39.3 If any Payment Failure occurs after the date of a Collateral Posting Notice and before the applicable Collateral Repayment Date, the ICC Contract Counterparty may give the Emitter a notice (a **"Replacement Collateral Notice"**). A Replacement Collateral Notice shall:
- (A) identify the Billing Period to which any such Payment Failure relates; and
 - (B) specify the Replacement Collateral Repayment Date.

Collateral Amount

- 39.4 The Collateral Amount shall be calculated by the ICC Contract Counterparty in accordance with the formula below:¹⁵²

$$[Collateral\ Amount = £[30] \times FRE \times N \times HID]$$

where:

FRE = is the CO₂ T&S Flow Rate Estimate (expressed in tCO₂/h);

¹⁵² Note to Reader: This calculation is subject to further review by BEIS.

N = is forty (40), representing the number of days for which collateral is required; and

HID = is the number of hours in a day, being twenty-four (24).

40. **ACCEPTABLE COLLATERAL**

Provision of collateral

40.1 If a Collateral Posting Notice is given to the Emitter, the Emitter shall, no later than the Collateral Posting Date, transfer or deliver, or procure the transfer or delivery of, Acceptable Collateral to the ICC Contract Counterparty in an aggregate amount equal to the Collateral Amount.

Transfers and custody of collateral

40.2 All transfers or deliveries pursuant to the ICC Contract of any Acceptable Collateral shall be made by or on behalf of the Emitter and shall be given:

- (A) in the case of cash, by transfer in accordance with the instructions made by or on behalf of the ICC Contract Counterparty, to the credit of the Reserve Account; and
- (B) in the case of a Letter of Credit, by a Qualifying Issuer issuing a Letter of Credit to the ICC Contract Counterparty or its designee. Such transfer shall be deemed effective upon receipt by the ICC Contract Counterparty or its designee from the Qualifying Issuer of the duly executed and issued Letter of Credit.

Letters of Credit

40.3 The Emitter shall:

- (A) procure that:
 - (i) any Letter of Credit provided pursuant to a Collateral Posting Notice shall be valid at least until the Initial Collateral Repayment Date as set out in that notice; and
 - (ii) (if a Replacement Collateral Notice is given) any Letter of Credit provided pursuant to a Replacement Collateral Notice shall be valid at least until the Replacement Collateral Repayment Date as set out in that notice; and
- (B) ensure that any Letter of Credit provided by the Emitter as Acceptable Collateral, including any renewal or replacement of a Letter of Credit, shall be accompanied by a notice from the Emitter (a "**Letter of Credit Details Notice**"). A Letter of Credit Details Notice shall specify:
 - (i) the identity and credit rating of the Qualifying Issuer issuing the Letter of Credit;
 - (ii) the contact details for the Qualifying Issuer (or its representative or relationship manager); and
 - (iii) the period of time during which the Letter of Credit will remain in effect and the amount of credit to be provided.

40.4 At least ten (10) Business Days prior to the date of expiry or cancellation of a Letter of Credit, the Emitter shall renew or procure the renewal of such Letter of Credit by transferring or delivering, or by procuring the transfer or delivery of, Acceptable Collateral in the amount of

and in substitution and to be effective no later than the date of expiry or cancellation of the current Letter of Credit, provided that Acceptable Collateral is still required, pursuant to the provisions of this Part 9 (*Credit Support*), after the date of expiry or cancellation of the current Letter of Credit.

Altering collateral

- 40.5 If, at any time, the Posted Collateral is not or ceases to be Acceptable Collateral and/or the Posted Collateral is less than the Collateral Amount, the ICC Contract Counterparty may give a notice to the Emitter (a **"Collateral Correction Notice"**). A Collateral Correction Notice shall specify:
- (A) the Posted Collateral which is not or has ceased to be Acceptable Collateral and the reason that prevents such collateral from constituting Acceptable Collateral; and/or
 - (B) the amount by which the Posted Collateral is less than the Collateral Amount (a **"Deficient Collateral Amount"**).
- 40.6 No later than five (5) Business Days after receipt of a Collateral Correction Notice, the Emitter shall transfer or deliver, or procure the transfer or delivery of, Acceptable Collateral in an amount more than or equal to the Deficient Collateral Amount.
- 40.7 The Emitter may, from time to time, and on giving the ICC Contract Counterparty not less than ten (10) Business Days' notice, substitute some or all of the Posted Collateral with other Acceptable Collateral which shall not in any event be less than the Collateral Amount in aggregate.

Credit event by a Qualifying Issuer

- 40.8 If, at any time, the Qualifying Issuer of a Letter of Credit ceases to be a Qualifying Issuer, the Emitter shall give notice to the ICC Contract Counterparty and the Emitter shall procure the replacement of such Letter of Credit with Acceptable Collateral no later than ten (10) Business Days after the date on which the Qualifying Issuer ceases to be a Qualifying Issuer.
- 40.9 If the Emitter fails to procure replacement Acceptable Collateral within ten (10) Business Days in accordance with Condition 40.8, the ICC Contract Counterparty may demand payment pursuant to the Letter of Credit and shall hold any cash paid pursuant to the Letter of Credit in a Reserve Account until such time as the Posted Collateral is substituted in accordance with Condition 40.7.

Making a Posted Collateral Demand

- 40.10 The ICC Contract Counterparty may make a demand under a Letter of Credit procured by the Emitter or draw down on any cash amount in a Reserve Account (a **"Posted Collateral Demand"**) in the following circumstances:
- (A) the Emitter fails to pay any amount when due pursuant to the ICC Contract and that failure is not remedied by the last day of the NPA Payment Cure Period; or
 - (B) the Emitter fails to renew or extend, or procure the renewal or extension of, a Letter of Credit in accordance with Condition 40.4 by the transfer or delivery of substitute Acceptable Collateral.
- 40.11 If a Posted Collateral Demand has been made, the Emitter shall transfer or deliver, or procure the transfer or delivery of, further Acceptable Collateral in an amount no less than the Collateral Amount no later than two (2) Business Days after such demand.

Return of collateral

40.12 If the Emitter has transferred or delivered, or procured the transfer or delivery of, Acceptable Collateral to the ICC Contract Counterparty pursuant to the foregoing provisions in this Part 9 (*Credit Support*), and:

- (A) the Collateral Repayment Date has passed; or
- (B) the Collateral Amount has been replaced or substituted with other Acceptable Collateral in accordance with this Part 9 (*Credit Support*),

then, subject to Condition 40.14, the ICC Contract Counterparty shall transfer the Posted Collateral back to the Emitter no later than five (5) Business Days after:

- (i) in the case of Condition 40.12(A), the Collateral Repayment Date; and
- (ii) in the case of Condition 40.12(B), the date on which the Emitter replaces Acceptable Collateral in accordance with this Part 9 (*Credit Support*).

40.13 The ICC Contract Counterparty shall transfer back the Posted Collateral:

- (A) in the case of cash, by transfer in accordance with the instructions made by or on behalf of the Emitter, to the credit of one (1) or more bank accounts in the United Kingdom specified by the Emitter; and
- (B) in the case of a Letter of Credit, by surrendering, or procuring the surrender of, the relevant Letter of Credit.

Termination

40.14 If the ICC Contract expires in circumstances in which no Default Termination Payment, QCiL Compensation or QCiL True-Up Compensation is due to the ICC Contract Counterparty, the ICC Contract Counterparty shall return any Posted Collateral transferred or delivered by or on behalf of the Emitter no later than five (5) Business Days after the expiry, provided that the ICC Contract Counterparty shall be entitled to set off against the cash collateral in accordance with Condition 13 (*Set-off*).

40.15 If the ICC Contract is terminated in circumstances in which any Default Termination Payment, QCiL Compensation or QCiL True-Up Compensation is due to the ICC Contract Counterparty, the ICC Contract Counterparty shall return any Posted Collateral transferred or delivered by or on behalf of the Emitter after all Emitter payment obligations pursuant to the ICC Contract have been fulfilled, provided that the ICC Contract Counterparty shall be entitled to set off against the cash collateral in accordance with Condition 13 (*Set-off*).

Part 10 Dispute Resolution

41. DISPUTE RESOLUTION PROCEDURE: GENERAL PROVISIONS

Objective for resolution of Disputes

- 41.1 If a Dispute arises, the objective of the Parties shall be to seek to ensure that the Dispute is resolved as quickly, as efficiently and as cost-effectively as possible. Each Party shall, at each stage of the Dispute Resolution Procedure, endeavour in good faith to resolve all Disputes through negotiation.

Compliance with obligations during a Dispute

- 41.2 The Emitter and the ICC Contract Counterparty shall continue to comply with all of their respective obligations under the ICC Contract notwithstanding any Dispute which falls to be resolved in accordance with this Condition 41 (*Dispute Resolution Procedure: General provisions*).

Outline of Dispute Resolution Procedure

- 41.3 Except as otherwise expressly provided in these Conditions, if a Dispute arises either Party may give a notice to the other Party to initiate the Dispute Resolution Procedure (a "**Dispute Notice**"). A Dispute Notice:
- (A) shall include a description of the subject matter of the Dispute and the issues to be resolved;
 - (B) shall include a statement identifying the Condition to which the Dispute relates or pursuant to which the Dispute arises;
 - (C) shall include a description of the position the referring Party considers is correct and the referring Party's reasons for that position;
 - (D) (except for a Metering Dispute) shall include details of any other dispute or claim relating to or arising out of another CCUS Programme ICC Contract which the referring Party considers should be consolidated with or joined to the Dispute;
 - (E) may, where the referring Party considers it appropriate, include copies of any Supporting Information on which the referring Party intends to rely;
 - (F) shall include a statement outlining the relief, determination, remedy or recourse which the referring Party seeks in relation to the Dispute;
 - (G) (except where the ICC Contract expressly provides for the Dispute, including any Metering Dispute, to be subject to determination in accordance with the Expert Determination Procedure) shall include a statement as to whether the referring Party considers that the Dispute should (without a Senior Representatives Settlement being reached) be referred for determination in accordance with the Expert Determination Procedure or resolution in accordance with the Arbitration Procedure; and
 - (H) shall include the identity of the referring Party's Senior Representative.
- 41.4 Following the service by either Party of a Dispute Notice:

- (A) (subject to Condition 41.5) the Parties shall seek to resolve the Dispute by convening a meeting of the Senior Representatives of the Parties in accordance with Condition 42 (*Resolution by Senior Representatives*) but, if and to the extent that the Senior Representatives are unable to agree, settle, compromise or resolve the Dispute in accordance with Condition 42 (*Resolution by Senior Representatives*), Condition 41.4(B) shall apply;
 - (B) (subject to Condition 41.6) either Party may refer the Dispute (except for a Metering Dispute) for resolution by an Arbitral Tribunal in accordance with the Arbitration Procedure or, if the Parties agree in writing within the Resolution Period (or such longer period as they may agree in writing) that such Dispute is amenable to determination by an Expert, refer the Dispute to an Expert for determination in accordance with the Expert Determination Procedure; and
 - (C) (subject to Condition 41.6) either Party may refer a Metering Dispute for determination by an Expert in accordance with the Expert Determination Procedure.
- 41.5 Condition 41.4(A) shall not apply where the ICC Contract expressly provides that Condition 42 (*Resolution by Senior Representatives*) shall not apply to the relevant Dispute.
- 41.6 If the ICC Contract expressly provides for the relevant Dispute to be subject to determination in accordance with the Expert Determination Procedure:
- (A) Conditions 41.4(B) and 41.4(C) shall not apply to such Dispute; and
 - (B) if and to the extent that the Senior Representatives are unable to agree, settle, compromise or resolve the Dispute, in accordance with Condition 42 (*Resolution by Senior Representatives*), such Dispute shall be referred by the referring Party to an Expert for determination in accordance with the Expert Determination Procedure (but subject to such amendments to the Expert Determination Procedure as are expressly provided for in the relevant provisions of the ICC Contract).
- 41.7 Subject to Condition 41.8, all communications between the Parties with respect to a Dispute (including any statement, concession, waiver or agreement made by a Party during discussions and meetings pursuant to Condition 42 (*Resolution by Senior Representatives*)) (and any minutes or statements relating to such discussions or meetings) shall be "without prejudice" to the Dispute (or "without prejudice save as to costs" if expressly communicated or stated to be as such) (together, "**Dispute Information**"). Dispute Information shall be inadmissible in any Proceedings that may follow whether related to the Dispute or otherwise (including pursuant to the Expert Determination Procedure or the Arbitration Procedure), except that those expressly stated to be "without prejudice save as to costs" shall be admissible for the purposes of Conditions 43.12 and 44.2.
- 41.8 Condition 41.7 shall not apply to:
- (A) any Dispute Notice;
 - (B) any Senior Representatives Settlement;
 - (C) any communications between the Parties once an Expert Determination Procedure or an Arbitration Procedure has commenced, save for such communications expressly communicated or stated to be "without prejudice" or "without prejudice save as to costs"; or
 - (D) any communications between the Parties where the Parties agree in writing that Condition 41.7 shall not apply.

42. RESOLUTION BY SENIOR REPRESENTATIVES

42.1 The Parties shall procure that their respective Senior Representatives shall meet no later than ten (10) Business Days after the date of service of a Dispute Notice. If the Senior Representatives of the Parties:

- (A) are able to resolve the Dispute within thirty (30) Business Days of the date of service of the Dispute Notice (or within such longer period as the Senior Representatives of the Parties may agree in writing) (the "**Resolution Period**"), the terms of the agreement, settlement, compromise or resolution reached between the Senior Representatives in respect of the Dispute (a "**Senior Representatives Settlement**") shall be documented in writing and shall be signed by the Senior Representative of each Party;
- (B) are unable to resolve the Dispute (except for a Metering Dispute) within the Resolution Period, either Party may refer the Dispute for resolution by an Arbitral Tribunal in accordance with the Arbitration Procedure or, if the Parties agree in writing within the Resolution Period (or such longer period as they may agree in writing) that such Dispute is amenable to determination by an Expert, refer the Dispute to an Expert for determination in accordance with the Expert Determination Procedure; or
- (C) are unable to resolve a Metering Dispute within the Resolution Period, either Party may refer such Metering Dispute for determination by an Expert in accordance with the Expert Determination Procedure.

42.2 If, at any time during the Resolution Period, both Parties agree that the Senior Representatives of the Parties will not be able to agree, settle, compromise or resolve the Dispute, then:

- (A) either Party may refer the Dispute (except for a Metering Dispute) for resolution by an Arbitral Tribunal in accordance with the Arbitration Procedure or, if the Parties agree that such Dispute is amenable to determination by an Expert, refer the Dispute to an Expert for determination in accordance with the Expert Determination Procedure;
- (B) either Party may refer a Metering Dispute for determination by an Expert in accordance with the Expert Determination Procedure; and
- (C) there shall be no requirement for the Parties to wait until the expiry of the Resolution Period before making any such reference.

42.3 Neither Party may commence the Expert Determination Procedure nor the Arbitration Procedure prior to the expiry of the Resolution Period except in the circumstances specified in Condition 42.2.

42.4 The rules, obligations and procedures set out in this Condition 42 (*Resolution by Senior Representatives*) shall apply to all Disputes unless expressly stated to the contrary in the ICC Contract.

43. EXPERT DETERMINATION PROCEDURE

43.1 Either Party may, subject to Condition 42 (*Resolution by Senior Representatives*), refer a Dispute to be determined by an Expert if either: (i) the Parties have agreed in writing that a Dispute is amenable to determination by an Expert pursuant to Condition 42.1(B) or 42.2(A); or (ii) the ICC Contract expressly provides for the relevant Dispute to be determined by an Expert. Such referral shall be effected by either Party giving a notice (an "**Expert Determination Notice**") to the other Party. An Expert Determination Notice shall:

- (A) include the information required to be included in a Dispute Notice pursuant to Conditions 41.3(A) to 41.3(F); and
 - (B) include a proposal as to the identity, and terms of reference, of the Expert and the relevant expertise that the referring Party considers qualifies the proposed Expert to determine the relevant Expert Dispute.
- 43.2 Any Expert appointed to determine any Expert Dispute shall be required to have an appropriate level of experience in relation to matters of the same general description as the matter in Dispute.
- 43.3 The Party receiving the Expert Determination Notice (the **"Respondent"**) shall, no later than ten (10) Business Days after receipt of the Expert Determination Notice, give notice (an **"Expert Determination Response Notice"**) to the other Party (the **"Claimant"**). An Expert Determination Response Notice shall specify whether or not the Respondent accepts:
 - (A) the Expert proposed by the Claimant (and, if the Respondent does not accept the Expert proposed by the Claimant, it shall specify an alternative Expert for consideration by the Claimant); and
 - (B) the terms of reference for the Expert proposed by the Claimant (and, if the Respondent does not accept the terms of reference for the Expert proposed by the Claimant, it shall propose alternative terms of reference for the Expert for consideration by the Claimant).
- 43.4 If the Parties fail to agree on the identity of the Expert within twenty (20) Business Days of the date of service of the Expert Determination Notice (or such other period as the Parties may agree in writing), either Party may request that the Expert be nominated by the LCIA, which shall be requested to choose a suitably qualified and experienced Expert for the Expert Dispute in question. The LCIA's nomination shall, subject to Condition 43.5(A)(i), be binding on the Parties.
- 43.5 The Parties shall:
 - (A) use reasonable endeavours to procure that no later than ten (10) Business Days after the Parties have agreed the identity of the Expert to be appointed (or the LCIA having nominated an Expert in accordance with Condition 43.4):
 - (i) the Expert confirms in writing to the Parties that:
 - (a) the Expert is willing and available to act in relation to the Expert Dispute; and
 - (b) the Expert has no conflict of interest which prevents the Expert from determining the Expert Dispute; and
 - (ii) (subject to the confirmation referred to in Condition 43.5(A)(i) having been given) the terms of appointment and the terms of reference of the Expert are agreed between the Parties and the Expert (and an appointment letter entered into among them), such terms:
 - (a) to include an undertaking that the Expert shall not disclose to any person any Supporting Information disclosed or delivered by a Party to the Expert in consequence of, or in respect of, their appointment as the Expert; and
 - (b) to exempt the Expert (and any employee, agent or adviser of or to the Expert) from liability for anything done or omitted in the discharge or

purported discharge of the Expert's functions, unless such act or omission is fraudulent or in bad faith;

- (B) instruct the Expert:
 - (i) to act fairly and impartially;
 - (ii) to reach its decision in accordance with the applicable Laws in relation to the Dispute referred to the Expert;
 - (iii) to take the initiative in ascertaining the facts and the law, including by:
 - (a) considering any Supporting Information submitted to the Expert by the Parties;
 - (b) instructing an expert and/or taking counsel's opinion as to any matter raised in connection with the Dispute, provided that the Expert shall not be entitled to delegate any decision to such expert or counsel;
 - (c) requiring the Parties to produce any Supporting Information (excluding any of the foregoing which would be privileged from production in court proceedings); and
 - (d) opening up, reviewing and revising any opinion, assessment, certificate, instruction, determination or decision of whatsoever nature given or made pursuant to the ICC Contract, provided that the Expert may not in so doing purport: (i) to open up, review or revise any matter determined pursuant to an earlier dispute under the Dispute Resolution Procedure or included with a negotiated settlement; or (ii) to decide any matter which falls outside the Expert's terms of reference in relation to the relevant Expert Dispute or is otherwise excluded from the Expert Determination Procedure; and
 - (iv) if requested by either Party in writing, to provide reasons for their decision, which shall be communicated to the Parties;
- (C) afford the Expert the discretion to establish the procedure (including the timetable) for the determination of the Expert Dispute, it being agreed by the Parties that:
 - (i) the Expert shall be requested to confirm to the Parties the proposed procedure for the relevant Expert Dispute as soon as reasonably practicable after the Expert Appointment Date and, in any event, no later than ten (10) Business Days after such date and the Parties agree that:
 - (a) the Expert shall be requested to afford (and shall so afford) the Parties the opportunity to address the Expert in a meeting at which both Parties shall have the right to be present, where either Party requests such a meeting in writing or the Expert otherwise considers it to be necessary or desirable to reach a determination in respect of the relevant Expert Dispute, with the format and procedure applicable to any such meeting being a matter for the Expert to decide in their sole and absolute discretion;
 - (b) subject to (c) below, the Expert may modify the time periods provided for in Condition 43.6 and otherwise modify the procedure contemplated by such Condition; and

- (c) any modification(s) to the time periods and/or procedure for the determination of an Expert Dispute shall not extend the overall timetable of the Expert Determination Procedure by more than sixty (60) calendar days without the agreement of both Parties;
 - (ii) all submissions made by a Party to the Expert (including all Supporting Information provided to the Expert) shall be provided to the other Party contemporaneously with such submissions being made to the Expert; and
 - (iii) the Parties shall (without prejudice to Condition 43.5(C)(i)) request the Expert to determine the Expert Dispute within the earlier of:
 - (a) thirty (30) Business Days following the date on which a Response Submission has been provided by the Respondent; and
 - (b) sixty (60) Business Days after the First Submission Deadline; and
 - (D) afford the Expert all Supporting Information and assistance which the Expert requires to determine the Expert Dispute (and, if a Party fails to produce any such Supporting Information or assistance, the Expert may continue the determination process without that Supporting Information or assistance).
- 43.6 Subject to Condition 43.5(C):
- (A) the Claimant shall provide the Expert with a copy of the Expert Determination Notice no later than ten (10) Business Days after the Expert Appointment Date (the date on which the Expert receives the copy of the Expert Determination Notice being the "**Expert Referral Date**");
 - (B) the Claimant shall provide a written statement of its case, together with any Supporting Information, to the Expert (the "**First Submission**") no later than twenty (20) Business Days after the Expert Referral Date (the "**First Submission Deadline**") and, without limitation, the First Submission may cover any of the matters required to be contained in the relevant Dispute Notice pursuant to Conditions 41.3(A) to 41.3(F) (inclusive) and shall include copies of any Supporting Information which the Claimant considers to be important and relevant and a copy of such First Submission shall be provided to the Respondent at the same time as it is provided to the Expert; and
 - (C) the Respondent may, but is not obliged to, submit a response to the Claimant's First Submission, together with any Supporting Information on which the Respondent intends to rely (a "**Response Submission**") no later than thirty (30) Business Days after receipt of the First Submission.
- 43.7 The Arbitration Act 1996 and the law relating to arbitrators and arbitrations shall not apply to the Expert or their determination or the procedure by which the Expert reaches their determination.
- 43.8 If the Expert is at any time unable or unwilling to act or fails to come to a decision within the specified time allowed, either Party may proceed to seek the appointment of a replacement Expert as if the Expert Determination Notice had just been served. The provisions of the Expert Determination Procedure shall apply to any replacement Expert and the replacement Expert shall be authorised to determine any Expert Dispute which was submitted to their predecessor but which their predecessor had not determined at the time when their predecessor became unable or unwilling to act.

- 43.9 The Expert's determination shall be final and binding upon the Parties, except in the event of fraud or manifest error.
- 43.10 No Expert determination shall have the effect of amending the ICC Contract unless expressly permitted pursuant to the ICC Contract.
- 43.11 If either Party does not comply with the decision of the Expert, the other Party may commence proceedings in the English Courts to secure enforcement of that decision.
- 43.12 The Expert may, in their determination, provide that one or other or both of the Parties pay the Expert's fees and expenses and each other's costs (including the fees and expenses of external advisers and consultants) in such proportions as the Expert may specify on the general principle that the allocation of costs should reflect the Parties' relative success and failure in the Expert Determination Procedure. In the absence of such a direction, each Party shall bear its own costs and the fees and expenses of the Expert shall be paid in equal shares by the Parties.

44. **ARBITRATION PROCEDURE**

- 44.1 Either Party may, subject to Condition 42 (*Resolution by Senior Representatives*), refer an Arbitration Dispute to arbitration. Any Arbitration Dispute so referred to arbitration shall be resolved in accordance with the LCIA Arbitration Rules, which rules are to be treated as incorporated by reference into this Condition 44.
- 44.2 The Arbitral Tribunal shall make its award in writing (the "**Arbitral Award**") and the Parties agree that all final Arbitral Awards shall be binding on the Parties.
- 44.3 No Arbitral Award shall have the effect of amending the ICC Contract unless expressly permitted pursuant to the ICC Contract.
- 44.4 The Arbitral Tribunal shall consist of three (3) Arbitrators except where the Parties have agreed in writing that the Arbitral Tribunal shall consist of one (1) Arbitrator (the "**Mutual Appointment Decision**").
- 44.5 If the Arbitral Tribunal is to consist of:
 - (A) three (3) Arbitrators, each Party shall nominate one (1) Arbitrator to be appointed by the LCIA as contemplated by the LCIA Arbitration Rules and the third Arbitrator shall be nominated by the Arbitrators nominated by the Parties and shall act as chairman; or
 - (B) one (1) Arbitrator, the Parties shall use reasonable endeavours to agree on the identity of the Arbitrator no later than ten (10) Business Days after the Mutual Appointment Decision, failing which the Arbitrator shall be appointed by the LCIA as contemplated by the LCIA Arbitration Rules.
- 44.6 The seat, or legal place, of any arbitration shall be London.
- 44.7 The language to be used in any arbitral proceedings shall be English.
- 44.8 This Condition 44 shall not apply to any Metering Dispute.
- 45. **CONSOLIDATION OF CONNECTED DISPUTES**
- 45.1 If:

- (A) any Dispute raises issues which are substantially the same as, connected with or related to issues raised in any dispute or claim relating to or arising out of any other CCUS Programme ICC Contract (each, a **"Connected Dispute"**);
- (B) the Dispute Resolution Procedure has been commenced in relation to the Dispute; and
- (C) a dispute resolution procedure under the other CCUS Programme ICC Contract has been commenced in relation to the Connected Dispute under that contract,

then either Party may request consolidation of those Connected Disputes at any time so that the Connected Disputes shall be determined together and in respect of any Connected Dispute, the Parties consent, pursuant to Article 22.7 and/or Article 22.8 of the LCIA Arbitration Rules (or any equivalent provisions in any version of the LCIA Arbitration Rules that may come into force hereafter), to the consolidation of an arbitration commenced pursuant to the ICC Contract with an arbitration commenced under the relevant other CCUS Programme ICC Contract(s).

45.2 Where a Party wishes to consolidate Connected Disputes pursuant to Condition 45.1, that Party shall give notice in writing to all of the parties to the Connected Disputes (a **"Consolidation Request"**). A Consolidation Request shall be copied to the Expert or Arbitrator(s) (as relevant) of each Connected Dispute at the same time that it is given to the parties to each Connected Dispute, or, to the extent that the Expert or Arbitrator(s) have not been appointed at that date, forthwith upon appointment of the Expert or Arbitrator(s).

45.3 Following delivery of a Consolidation Request to every party who is to receive it under Condition 45.2, the Parties shall use reasonable endeavours (including cooperating with the parties to the other CCUS Programme ICC Contract) to procure that the Expert or Arbitrator(s) (as relevant) of each Connected Dispute shall, within five (5) Business Days after the delivery of the Consolidation Request, determine between them whether:

- (A) they are satisfied that the issues of both fact and/or law raised in each of the Connected Disputes are substantially the same as, or substantially connected or related to, each other; and
- (B) consolidation of the Connected Disputes will not materially affect the timetable for resolution of any Connected Disputes.

45.4 If:

- (A) the Expert(s) or Arbitrator(s) are so satisfied by majority and provide notice of that fact to the parties to all of the Connected Disputes; and
- (B) the parties to the other CCUS Programme ICC Contract(s) consent to consolidation;

the Dispute may be consolidated with any relevant Connected Disputes (including, in the case of two or more arbitrations, pursuant to the relevant provisions of the LCIA Arbitration Rules).

45.5 If the Expert(s) or Arbitrator(s) are not so satisfied by majority or one (1) or more parties to another CCUS Programme ICC Contract does not consent to the consolidation, the Dispute shall not be consolidated with the Connected Dispute under that contract.

45.6 If the Parties or either of them receive(s) one (1) or more notice(s) from a party or parties to one (1) or more other CCUS Programme ICC Contract(s) seeking to consolidate a dispute under the other CCUS Programme ICC Contract(s) with a Dispute under the ICC Contract for reasons similar to those set out in Condition 45.3 above, neither Party shall unreasonably withhold its consent to consolidation of the Dispute with the relevant dispute(s) under the other

CCUS Programme ICC Contract(s) and shall use reasonable endeavours to facilitate the consolidation of the disputes.

- 45.7 If there has been a request for consolidation, whether by way of Consolidation Request under the ICC Contract or an equivalent notice under one (1) or more other CCUS Programme ICC Contract(s) and it is determined that two or more disputes shall be consolidated,
- (A) the Parties shall use reasonable endeavours to procure that the outcome described in Condition 45.8 below is achieved; and
 - (B) neither Party shall unreasonably withhold consent to any reasonable proposal by a party to another CCUS Programme ICC Contract which has as its objective the procuring of an outcome equivalent to that described in Condition 45.8 below.
- 45.8 If different Experts or Arbitrators have been appointed in respect of Connected Disputes prior to their being consolidated in accordance with the Dispute Resolution Procedure and those Experts or Arbitrator(s) give a notice, in accordance with Condition 45.4, that the Connected Disputes shall be consolidated, the Parties shall use reasonable endeavours to agree in writing with each other and the parties to any relevant Connected Dispute, no later than five (5) Business Days after the giving of that notice, which of the Experts or Arbitrators shall be the Experts or Arbitrator(s) for the consolidated Connected Disputes. If no such agreement can be reached, the parties to the Dispute shall request that the president or vice-president of the LCIA court select, no later than five (5) Business Days after such request, which of those Experts or Arbitrator(s) shall be the Experts or Arbitrator(s) for the consolidated Connected Disputes, provided the parties to any relevant Connected Dispute(s) consent to this step.
- 45.9 If the Expert(s) or Arbitrator(s) of consolidated Connected Disputes is or are unable to give their award in respect of the consolidated Connected Disputes at the same time then the award in respect of the Dispute may be given in such order as the Expert(s) or Arbitrator(s) may determine.
- 45.10 This Condition 45 shall not apply to any Metering Dispute.

46. **NO OTHER PROCEEDINGS**

- 46.1 Subject to Conditions 46.2 and 47.1, any and all Disputes are to be finally resolved in accordance with the Dispute Resolution Procedure, and neither Party shall commence any Proceedings in respect of a Dispute other than in accordance with the Dispute Resolution Procedure. If either Party commences any Proceedings in breach of the Dispute Resolution Procedure, it shall not oppose an application for strike-out, termination, discontinuance or stay of such Proceedings.
- 46.2 Notwithstanding any other provision of the Dispute Resolution Procedure, either Party may at any time:
- (A) commence, prosecute and/or defend Proceedings against the other Party in the courts of England and Wales for:
 - (i) an order to obtain urgent injunctive or other equitable relief, including specific performance;
 - (ii) judgment to enforce a Senior Representatives Settlement, the determination of an Expert, or an Arbitral Award; and/or
 - (B) give a notice of arbitration to the other Party so as to prevent the expiry of any applicable period of limitation or prescription, or the application of the equitable doctrine of laches.

47. **METERING DISPUTES**¹⁵³

- 47.1 Metering Disputes shall be resolved in accordance with the Dispute Resolution Procedure (except for those provisions of the Dispute Resolution Procedure which are expressly stated not to apply to Metering Disputes).

¹⁵³ Note: the dispute resolution procedure for CO₂ Metering Disputes are subject to change as industry codes and procedures are established and developed.

Part 11
General provisions regarding liabilities, remedies and waivers

48. EXCLUDED LOSSES AND LIABILITIES

Interpretation

- 48.1 Any and all compensation in respect of any event to be calculated, agreed or determined, and paid, commenced or effected, pursuant to the ICC Contract shall be calculated on the basis that the Emitter:
- (A) has complied, and will comply, with the general mitigation obligation set out in Condition 48.3, irrespective of whether the Emitter has in fact complied, or will comply, with such obligation; and
 - (B) has complied, and will comply, with the Reasonable and Prudent Standard, including with respect to the incurrence of costs in relation to the Project, irrespective of whether the Emitter has in fact complied, or will comply, with such standard.
- 48.2 Any notification by the Emitter to the ICC Contract Counterparty of the mitigating steps that the Emitter has taken, or proposes to take, in order to comply with the general mitigation obligation set out in Condition 48.3, or the Reasonable and Prudent Standard, shall be of indicative value only and, as such, shall not be determinative of whether it has complied, or will comply, with such general mitigation obligation or Reasonable and Prudent Standard.

Mitigation

- 48.3 The Emitter shall promptly take all reasonable steps to mitigate any loss or, as the case may be, maximise any benefit, in respect of which a claim could be brought under the ICC Contract or any other ICC Document (including by recommencing CO₂ capture as soon as reasonably practicable), provided that this obligation to mitigate shall not be construed as relieving the Emitter from complying in full with its obligations under the ICC Contract or any other ICC Document.
- 48.4 The Emitter shall give notice as soon as reasonably practicable to the ICC Contract Counterparty of the mitigating steps that it has taken or procured, is taking or procuring or proposes to take or procure and shall as soon as reasonably practicable provide such Supporting Information regarding such mitigation as the ICC Contract Counterparty may reasonably request.

No double recovery

- 48.5 The Emitter may recover only once in respect of the same loss. The ICC Contract Counterparty shall not be liable to pay any compensation under any term of the ICC Contract to the extent that the subject of the claim has been compensated for, or the same loss has been recovered by the Emitter under the ICC Contract, any other ICC Document and/or the Grant Funding Agreement.
- 48.6 If the Emitter is at any time entitled to recover from a third party any sum (whether under an insurance policy or otherwise) in respect of any matter or circumstance giving rise to a claim under the ICC Contract, any other ICC Document and/or the Grant Funding Agreement, the Emitter shall take all necessary steps to enforce such recovery.
- 48.7 If the Emitter (or its nominee) recovers any amount from: (i) the ICC Contract Counterparty as a consequence of any claim under the ICC Contract or any other CCUS Programme ICC Contract to which it is a party; or (ii) such other person as is referred to in Condition 48.6:

- (A) such amount shall be taken into account in the calculation of any compensation payable pursuant to the ICC Contract or any other ICC Document;
- (B) no claim shall be made by the Emitter pursuant to the ICC Contract or any other ICC Document in respect of the amounts so recovered; and
- (C) if the Emitter has previously received compensation in relation to the same claim, they or it shall pay promptly to the ICC Contract Counterparty an amount equal to the lesser of: (i) the amount so recovered; and (ii) the amount so previously received.

General limitation on liability

48.8 Subject to Condition 48.9, neither Party shall be liable to the other Party under or pursuant to the ICC Contract or any other ICC Document, in tort (including negligence and/or breach of statutory duty) or otherwise at law for:

- (A) any loss, damage, cost or other expense to the extent that the same does not arise naturally from the breach and cannot reasonably be supposed to have been in the contemplation of the Parties at the Agreement Date as the probable result of such breach; or
- (B) any special, indirect or consequential loss including any such loss which constitutes loss of use, loss of goodwill, loss of profit or loss of revenue,

in each case incurred by the other Party in respect of any breach of the terms of the ICC Contract or any other ICC Document.

48.9 Condition 48.8 shall not operate so as to prejudice or override:

- (A) the express terms of any obligation to pay, indemnity or costs reimbursement provision contained within the ICC Contract or any other ICC Document;
- (B) the express terms relating to the calculation of any QCiL Compensation or QCiL True-Up Compensation, or the obligation of either Party to pay any QCiL Compensation or QCiL True-Up Compensation to the other Party (or to commence or effect such compensation), in each case in accordance with Part 7 (*Changes in Law*); or
- (C) the express terms relating to the calculation of the Default Termination Payment or the obligation of the Emitter to pay the Default Termination Payment to the ICC Contract Counterparty, in accordance with Condition 36.8, it being agreed that the ICC Contract Counterparty has a legitimate interest to which the Default Termination Payment is proportionate in light of factors including but not limited to the anticipated harm that the ICC Contract Counterparty would suffer and the difficulty of estimation or calculation of actual damages upon early termination of the ICC Contract.¹⁵⁴

T&S Operator actions

48.10 Any payments to the Emitter in respect of or pursuant to instructions issued by any T&S Operator shall not be calculated or made pursuant to the terms of the ICC Contract, and the ICC Contract Counterparty shall have no liability pursuant to the ICC Contract to pay or compensate the Emitter in respect of any resulting losses.

¹⁵⁴ Note to Reader: This provision is subject to further review by BEIS.

49. NO WAIVER

- 49.1 No waiver by either Party of any breach by the other Party of the ICC Contract or any other ICC Document shall operate unless expressly made in writing, and no such waiver shall be construed as a waiver of any other breach.
- 49.2 No delay or omission by either Party in exercising any right, power or remedy provided by law or pursuant to the ICC Contract or any other ICC Document shall:
- (A) affect that right, power or remedy; or
 - (B) operate as a waiver of it.
- 49.3 The single or partial exercise by either Party of any right, power or remedy provided by law or pursuant to the ICC Contract or any other ICC Document shall not, unless otherwise expressly stated, preclude any other or further exercise of it or the exercise of any other right, power or remedy.
- 49.4 Any legal privilege attaching to information or documents that are:
- (A) made available by the Emitter or its Representatives to the ICC Contract Counterparty or its Representatives remains for the benefit of the Emitter; or
 - (B) made available by the ICC Contract Counterparty or its Representatives to the Emitter or its Representatives remains for the benefit of the ICC Contract Counterparty,
- and, in each case, disclosure is not intended to amount to a waiver of legal privilege.

50. CONSENTS

- 50.1 Any consents, confirmations, approvals, waivers or agreements to be given by the ICC Contract Counterparty pursuant to the ICC Contract or any other ICC Document:
- (A) shall be effective only if given in writing; and
 - (B) except as otherwise expressly provided in the ICC Contract, may be given or withheld by the ICC Contract Counterparty in its sole and absolute discretion and, if given, may be given on and subject to such terms and/or conditions as the ICC Contract Counterparty may in its sole and absolute discretion determine.
- 50.2 The exercise of discretion by the ICC Contract Counterparty (including in respect of the grant or withholding of any consent, confirmation, approval, waiver or agreement) shall in no way limit the manner in or extent to which that discretion may be exercised in future or give rise to any amendment or modification to the ICC Contract or any other ICC Document.

51. ENTIRE AGREEMENT

- 51.1 The ICC Contract, together with the other ICC Documents, constitutes the entire agreement, understanding and representations of the Parties in respect of its subject matter and supersedes and extinguishes any agreements, understandings and/or representations previously given or made in respect thereof other than those included in the ICC Contract or the other ICC Documents.
- 51.2 Each Party acknowledges that in entering into the ICC Contract it has not relied on, and shall have no right or remedy in respect of, any draft, agreement, undertaking, representation, warranty, promise, assurance, arrangement or public statement of any nature whatsoever, whether or not in writing, relating to the subject matter of the ICC Contract or any other ICC

Document made or given by or on behalf of either Party or the Secretary of State at any time prior to the Agreement Date (whether made negligently or innocently) other than as expressly set out in the ICC Contract or any other ICC Document.

51.3 Nothing in this Condition 51 (*Entire agreement*) shall limit or exclude liability for fraud.

52. PAYMENT DISRUPTION EVENT

Relief due to Payment Disruption Event

52.1 Subject to Condition 52.2, a Party affected by a Payment Disruption Event (a **"PDE Affected Party"**) shall be relieved from liability, and deemed not to be in breach of the ICC Contract (or any other ICC Document), for:

- (A) any failure to pay (or delay in paying) to the other Party any sum due and payable pursuant to the ICC Contract (or any other ICC Document) (whether pursuant to an obligation to pay, an indemnity, a costs reimbursement provision or otherwise); and
- (B) (in the case of the Emitter) any failure to transfer, deliver, extend, renew or replace (or procure the transfer, delivery, extension, renewal or replacement of) Acceptable Collateral in accordance with Part 10 (*Credit Support*), or any delay in doing so,

(such obligations **"PDE Obligations"**) in each case if and to the extent that such failure or delay is directly attributable to the occurrence and continuance of such Payment Disruption Event.

Conditions to Payment Disruption Event relief

52.2 The PDE Affected Party's relief from liability pursuant to Condition 52.1 is subject to and conditional upon:

- (A) the PDE Affected Party giving notice as soon as reasonably practicable to the other Party of the nature and extent of the Payment Disruption Event causing its failure or delay in performance; and
- (B) the PDE Affected Party using reasonable endeavours:
 - (i) to mitigate the effects of the Payment Disruption Event;
 - (ii) to carry out and perform its obligations under the ICC Contract (and each other ICC Document) in any way that is reasonably practicable; and
 - (iii) to pay the sum due and payable or transfer, deliver, extend, renew or replace Acceptable Collateral in accordance with Part 10 (*Credit Support*) (as relevant) immediately upon cessation of the Payment Disruption Event.

53. FORCE MAJEURE

Relief due to Force Majeure

53.1 Subject to the provisions of this Condition 53 (*Force Majeure*), a Party affected by Force Majeure (an **"FM Affected Party"**) shall:

- (A) be relieved from liability, and deemed not to be in breach of the ICC Contract (or any other ICC Document), for any failure or delay in the performance of any of its obligations under the ICC Contract (or any other ICC Document) if and to the extent such failure or

delay is directly attributable to the occurrence and continuance of such Force Majeure;
and

- (B) be entitled to an extension of one (1) or more of the Longstop Date, the Milestone Delivery Date and/or the Target Commissioning Window, for any delay to the Project if and to the extent such delay is directly attributable to the occurrence and continuance of such Force Majeure, subject to the requirements of the definition of that term.

53.2 Nothing in this Condition 53 (*Force Majeure*) shall relieve either Party from its obligations to perform or comply with any PDE Obligations.

53.3 Nothing in this Condition 53 (*Force Majeure*) shall affect the ICC Contract Counterparty's right to terminate the ICC Contract pursuant to Conditions 35.5 to 35.7 (*Termination for Prolonged Force Majeure*) and, subject to Condition 35.25, Conditions 35.21 to 35.25 (*Termination for failing to remedy a T&S Prolonged Unavailability Event*).

Conditions to Force Majeure relief

53.4 The FM Affected Party's relief from liability and/or entitlement to an extension of any of the Longstop Date, the Milestone Delivery Date and/or the Target Commissioning Window pursuant to Condition 53.1 is subject to and conditional upon (and in the case of 53.1(B) shall only be available to the extent that the failure or delay in performance and/or delay to the Project could not have been avoided by):

- (A) the FM Affected Party giving notice as soon as reasonably practicable to the other Party (the "**Non-affected Party**") in writing of the nature and extent of: (i) any Force Majeure of which it is aware which it considers will or is likely to cause its failure or delay in performance and/or delay to the Project; and (ii) any Force Majeure that has caused or is causing failure or delay in performance and/or delay to the Project; and
- (B) the FM Affected Party using reasonable endeavours:
 - (i) to mitigate the effects of the Force Majeure (including delay to the Project);
 - (ii) to carry out its obligations under the ICC Contract and each other ICC Document in any way that is reasonably practicable; and
 - (iii) to resume the performance of its obligations under the ICC Contract and each other ICC Document as soon as reasonably practicable.

Provision of Force Majeure information

53.5 In addition to its notification obligation pursuant to Condition 53.4, the FM Affected Party shall give notice as soon as reasonably practicable to the Non-affected Party in writing (to the extent that such Information is available to the FM Affected Party) of:

- (A) the steps being taken by the FM Affected Party to remove or mitigate the effect of the Force Majeure (including delay to the Project) and to carry out its obligations under the ICC Contract (or the relevant ICC Document);
- (B) the anticipated date of resumption of performance of its obligations under the ICC Contract (or the relevant ICC Document); and
- (C) such other details relating to the Force Majeure and its effects (including delay to the Project) as may be reasonably requested by the Non-affected Party,

and, to the extent that such Information is not available at the time a notice is given, the FM Affected Party shall provide such Information to the Non-affected Party as soon as it becomes available to it.

53.6 The FM Affected Party shall give notice to the Non-affected Party every twenty (20) Business Days:

- (A) of any update to the Information provided pursuant to Condition 53.5 and shall give notice as soon as reasonably practicable to the Non-affected Party upon it becoming aware of any material developments or additional material Information relating to the Force Majeure and its effects; and
- (B) where the Force Majeure is a continuing one, that it is continuing, accompanied by an explanation and Information to show that the events or circumstances concerned continue to meet all of the requirements of the definition of Force Majeure.

54. **SEVERABILITY**

If any provision or part of a provision of the ICC Contract or any other ICC Document is or becomes illegal, invalid or unenforceable in any respect in any jurisdiction, that shall not affect or impair:

- (A) the legality, validity or enforceability in that jurisdiction of any other provision of the ICC Contract or of any other ICC Document; or
- (B) the legality, validity or enforceability in other jurisdictions of that or any other provision of the ICC Contract or of any other ICC Document.

55. **LIMITED RECOURSE ARRANGEMENTS, UNDERTAKINGS AND ACKNOWLEDGEMENTS**

ICC Contract Counterparty payment undertakings

- 55.1 For the purpose of Conditions 55.2 to 55.8, references in Conditions 55.2 to 55.5 to "liabilities" shall be construed as if the limited recourse provisions set out in Condition 55.7 do not apply.
- 55.2 The ICC Contract Counterparty shall make appropriate requests to [HMG] [on the basis provided for by the Funding Mechanism] for the purpose of ensuring that it is in sufficient funds to meet its liabilities in full pursuant to the ICC Contract.
- 55.3 The ICC Contract Counterparty shall, to the extent consistent with the ICC Contract Counterparty's proper exercise of its functions and duties pursuant to [●]¹⁵⁵ or any other statutory function or duty, as soon as reasonably practicable:
 - (A) notify [HMG] of any sum which [HMG] is required by virtue of the [Funding Mechanism] to pay to the ICC Contract Counterparty and which has not been paid by the date on which it is required by virtue of the [Funding Mechanism] to be paid and which is necessary to ensure that the ICC Contract Counterparty can meet its liabilities in full pursuant to the ICC Contract; and
 - (B) notify the Secretary of State if the ICC Contract Counterparty has reason to believe that it will have insufficient funds available to make when due the totality of the payments to emitters that are required pursuant to CCUS Programme ICC Contracts.

¹⁵⁵ Note: Relevant legislative reference to be confirmed.

- 55.4 The ICC Contract Counterparty shall notify the Emitter if it is of the opinion that it will have insufficient funds to meet its liabilities in full pursuant to the ICC Contract.
- 55.5 The ICC Contract Counterparty agrees that in circumstances where the ICC Contract Counterparty has failed to pay an amount on the due date thereof pursuant to the ICC Contract:
- (A) damages alone would not be an adequate remedy for any breach by it of its obligations set out in Condition 55.3(A);
 - (B) accordingly, the Emitter will be entitled to the remedies of injunction, specific performance and other equitable relief for any threatened or actual breach by the ICC Contract Counterparty of its obligations set out in Condition 55.3; and
 - (C) it will not raise any objection to an application by the Emitter for any such remedies.
- 55.6 Without prejudice to Condition 55.7, the maximum liability of the ICC Contract Counterparty in respect of breach by it of Condition 55.2, 55.3 or 55.4 shall be limited to an amount equivalent to the Default Interest on the amount which has not been paid by the ICC Contract Counterparty to the Emitter pursuant to the ICC Contract by reason of the relevant breach for the period from what would have been the date of payment but for such breach to the date of actual payment, provided that the limit of liability in this Condition 55.6 shall not apply where the breach is caused by the gross negligence or wilful misconduct of the ICC Contract Counterparty.

Limited recourse

- 55.7 Notwithstanding any other provision of the ICC Contract:
- (A) the liability of the ICC Contract Counterparty pursuant to the ICC Contract shall not exceed the aggregate the amounts from time to time received and held by the ICC Contract Counterparty, and allocated to the ICC Contract, in accordance with the [Funding Mechanism]; and
 - (B) the ICC Contract Counterparty shall not be in default pursuant to the ICC Contract in not making any payment that is due and owing if and to the extent that it shall not have received the amounts and other funds referred to in Condition 55.7(A) which are necessary to make such payment, but if and to the extent that such payment is not made, the ICC Contract Counterparty shall continue to owe an amount equal to the amount of the payment due and owing but not paid and shall make such payment promptly (and in any event within two (2) Business Days) after and to the extent of its receipt of such corresponding and allocated amounts and other funds.

Damages for breach

- 55.8 The Parties acknowledge and agree that:
- (A) the ICC Contract Counterparty shall have full right and liberty to recover from the Emitter any loss, damage, cost or expense suffered or incurred by the ICC Contract Counterparty as a result of a breach by the Emitter of the ICC Contract or any other ICC Document and for this purpose no regard shall be had to the right or ability (if any) of the ICC Contract Counterparty to recover such loss, damage, cost or expense from [HMG] or any other person in accordance with the [Funding Mechanism]; and
 - (B) to the extent that any such loss, damage, cost or expense is recovered by the ICC Contract Counterparty from the Emitter, it is the intent that the ICC Contract

Counterparty will not keep those amounts but will, in accordance with the [Funding Mechanism]]):

- (i) use such amounts to make good any loss, damage, cost or expense suffered or incurred by the ICC Contract Counterparty;
- (ii) pass or return those amounts to [HMG] or other person(s) as directed by [HMG]; and/or
- (iii) use such amounts for the benefit of [HMG] or other person(s).

Part 12
Confidentiality, announcements and freedom of information

56. CONFIDENTIALITY

Confidentiality restrictions: application to the terms of the ICC Contract

- 56.1 Subject to Condition 57 (*Announcements*), the Parties agree that the provisions of the ICC Contract shall not be treated as Confidential Information and may be disclosed without restriction.

Emitter Confidential Information

- 56.2 The ICC Contract Counterparty shall keep all Emitter Confidential Information confidential and shall not disclose Emitter Confidential Information without the prior written consent of the Emitter, other than as permitted by Condition 56.3 or to fulfil the ICC Contract Counterparty Permitted Purposes.

- 56.3 Condition 56.2 shall not prevent the disclosure of Emitter Confidential Information by the ICC Contract Counterparty:

- (A) on a confidential basis:
- (i) to its Representatives to enable or assist the ICC Contract Counterparty to fulfil the ICC Contract Counterparty Permitted Purposes;
 - (ii) to any Transferee to fulfil the ICC Contract Counterparty Permitted Purposes;
 - (iii) to any person engaged in providing services to the ICC Contract Counterparty to enable or assist the ICC Contract Counterparty to fulfil the ICC Contract Counterparty Permitted Purposes;
 - (iv) to any Government Entity (or to its Representatives or to any person engaged in providing services to such Government Entity) where the ICC Contract Counterparty considers such disclosure is required to enable or assist:
 - (a) the ICC Contract Counterparty to fulfil the ICC Contract Counterparty Permitted Purposes; or
 - (b) such person to: (i) fulfil any of its functions arising out of or in connection with the ICC Contract or for the purposes of any other CCUS Programme ICC Contract or any other ICC Document; or (ii) perform any function ancillary or related to its functions arising out of or for the purposes of the ICC Contract or any other CCUS Programme ICC Contract or any other ICC Document or the CCUS Programme; or (iii) fulfil any functions, duties or obligations arising by virtue of or pursuant to [●];¹⁵⁶
 - (v) to the T&S Operator, the Economic Regulator or the ICC Contract Settlement Services Provider or the Secretary of State (or to their respective Representatives) to the extent that the ICC Contract Counterparty considers such disclosure is necessary to enable or assist: (a) the ICC Contract Counterparty to fulfil the ICC Contract Counterparty Permitted Purposes; or (b) such person to fulfil or perform any of its functions, duties or obligations arising

¹⁵⁶ Note to Reader: Legislative reference to be confirmed.

out of or in connection with the ICC Contract or for the purposes of any other CCUS Programme ICC Contract or ICC Document or to fulfil or perform any ancillary or related function, duty or obligation (including any such functions, duties or obligations arising by virtue of or pursuant to [●]¹⁵⁷),

provided that: (i) the ICC Contract Counterparty shall use reasonable endeavours to inform the recipient of the Emitter Confidential Information of the ICC Contract Counterparty's obligations pursuant to Condition 56.2; and (ii) in the case of disclosure of Emitter Confidential Information pursuant to Condition 56.3(A)(i), 56.3(A)(ii) or 56.3(A)(iii), the ICC Contract Counterparty shall ensure that the recipient of the Emitter Confidential Information shall be subject to substantially the same obligation of confidentiality as contained in Condition 56.2;

- (B) to enable a Dispute to be instigated, progressed, consolidated with other disputes, settled or determined pursuant to and in accordance with the Dispute Resolution Procedure (except where the relevant Emitter Confidential Information has been provided on a "without prejudice" or "without prejudice save as to costs" basis);
- (C) (subject to Condition 56.4) to Parliament or to any Parliamentary committee, but only if and to the extent that the ICC Contract Counterparty considers such disclosure is required to enable or assist it to fulfil any ICC Contract Counterparty Permitted Purpose;
- (D) (subject to Condition 56.4) to any Secretary of State to enable or assist the Secretary of State to make a disclosure to Parliament or to any Parliamentary committee, but only if and to the extent that the Secretary of State has notified the ICC Contract Counterparty that such disclosure is required to enable or assist the Secretary of State to fulfil its functions;
- (E) (subject to Condition 56.4) to any Secretary of State to enable or assist the Secretary of State to make a disclosure to a Subsidy Control Competent Authority or other Competent Authority or otherwise to comply with the Subsidy Control Rules, but only if and to the extent that the ICC Contract Counterparty considers (or the Secretary of State has notified the ICC Contract Counterparty that) such disclosure is required in connection with the application of the Subsidy Control Rules or in connection with any decision by a Subsidy Control Competent Authority relating to those rules;
- (F) (subject to Condition 56.4) to a Subsidy Control Competent Authority or other Competent Authority or an interested party under the Subsidy Control Rules, but only if and to the extent that the ICC Contract Counterparty considers such disclosure is necessary in connection with the application of the Subsidy Control Rules or in connection with any decision by a Subsidy Control Competent Authority relating to those rules;
- (G) (subject to Condition 56.4) which is required to comply with any Law or Directive having the force of law or, if not having the force of law, compliance with which is in accordance with accepted general practice;
- (H) (subject to Condition 58 (*Freedom of information*)) which is required:
 - (i) by the FoIA; or
 - (ii) by the EIR;

¹⁵⁷ Note to Reader: Legislative reference to be confirmed.

- (I) to the National Audit Office for the purpose of any examination pursuant to section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which the ICC Contract Counterparty has used its resources;
 - (J) that is otherwise expressly permitted pursuant to the terms, or required for the operation or fulfilment, of the ICC Contract or any other ICC Document; or
 - (K) to any Secretary of State or Government Entity to enable or assist the Secretary of State or Government Entity to: (i) make a disclosure to the European Commission or other Competent Authority in order to fulfil a legal obligation and/or (ii) facilitate transparent public reporting by the Secretary of State or Government Entity; and the Emitter agrees and acknowledges that such Information may be published by the Secretary of State, Government Entity, European Commission and/or any other Competent Authority.
- 56.4 Prior to any disclosure of Emitter Confidential Information by the ICC Contract Counterparty pursuant to any of Conditions 56.3(C), 56.3(D), 56.3(E), 56.3(F) and 56.3(G), the ICC Contract Counterparty shall use reasonable endeavours to give notice to the Emitter of the Emitter Confidential Information to be disclosed, provided that:
- (A) it is lawful and reasonably practicable in the circumstances to do so; and
 - (B) in the case of any disclosure pursuant to Condition 56.3(C) or 56.3(D), it is not inconsistent with Parliamentary convention.

ICC Contract Counterparty: insider dealing and market abuse

- 56.5 The Emitter shall consult with the ICC Contract Counterparty in good faith, from time to time upon request by the ICC Contract Counterparty, in relation to whether Emitter Confidential Information held by the ICC Contract Counterparty (or its Representatives) constitutes at that time Inside Information. Nothing in this Condition 56.5 is intended to or shall result in the Emitter or any of its Representatives: (i) incurring any liability whatsoever under or in respect of the ICC Contract Counterparty's (or any of its Representatives') obligations and responsibilities pursuant to the FSMA or the CJA, or (ii) being obliged to consult with the ICC Contract Counterparty on Emitter Confidential Information to be provided to the ICC Contract Counterparty which constitutes (or may constitute) "inside information" (within the meaning of section 118C of the FSMA or section 56 of the CJA) in respect of any person other than the Emitter or any members of its Group.

ICC Contract Counterparty: liability for Representatives and service providers

- 56.6 The ICC Contract Counterparty shall be responsible for:
- (A) any failure by its current or former Representatives or any person to whom Emitter Confidential Information is disclosed pursuant to Condition 56.3(A)(ii) or 56.3(A)(iii) to comply with Condition 56.2 as if they were subject to it; and
 - (B) any use by its current or former Representatives or any person to whom Emitter Confidential Information is disclosed pursuant to Condition 56.3(A)(ii) or 56.3(A)(iii), of any Emitter Confidential Information in breach of Condition 56.2 as if they were subject to it.

ICC Contract Counterparty Confidential Information

- 56.7 The Emitter shall keep all ICC Contract Counterparty Confidential Information confidential and shall not disclose ICC Contract Counterparty Confidential Information without the prior written

consent of the ICC Contract Counterparty other than as permitted by Condition 56.8 or to fulfil the Emitter Permitted Purposes.

56.8 Condition 56.7 shall not prevent the disclosure of ICC Contract Counterparty Confidential Information by the Emitter:

- (A) on a confidential basis:
 - (i) to its Representatives to enable or assist the Emitter to fulfil the Emitter Permitted Purposes;
 - (ii) to members of its Group (and their respective Representatives) to enable or assist the Emitter to fulfil the Emitter Permitted Purposes;
 - (iii) to any Transferee to fulfil the Emitter Permitted Purposes;
 - (iv) to providers or prospective providers to the Emitter of debt financing, refinancing or credit support and their professional advisers, provided that such disclosure is restricted to Information necessary for the purposes of assessing the provision or potential provision of such financing, refinancing or credit support;
 - (v) to *bona fide* prospective purchasers of the Installation, provided that such disclosure is restricted to Information necessary for the purpose of assessing such potential purchase;
 - (vi) to any T&S Operator, the Economic Regulator or the ICC Contract Settlement Services Provider (or to their respective Representatives) to the extent that the Emitter considers such disclosure is required to enable or assist: (a) the Emitter to fulfil the Emitter Permitted Purposes; or (b) such person to fulfil or perform any of its functions, duties or obligations arising out of or in connection with the ICC Contract or any other CCUS Programme ICC Contract or to fulfil or perform any ancillary or related function, duty or obligation (including any such functions, duties or obligations arising by virtue of or pursuant to [●]¹⁵⁸);
 - (vii) for the purposes of:
 - (a) the examination and certification by its auditors of the Emitter's accounts; or
 - (b) complying with a proper request from the Emitter's insurance adviser or insurer on placing or renewing any insurance policies,

provided that: (i) the Emitter shall use reasonable endeavours to inform the recipient of the ICC Contract Counterparty Confidential Information of the Emitter's obligations pursuant to Condition 56.7; and (ii) in the case of disclosure of ICC Contract Counterparty Confidential Information pursuant to Condition 56.8(A)(i), 56.8(A)(ii), 56.8(A)(iii), 56.8(A)(iv) or 56.8(A)(v), the Emitter shall ensure that the recipient of the ICC Contract Counterparty Confidential Information shall be subject to substantially the same obligation of confidentiality as contained in Condition 56.7;

- (B) to enable a Dispute to be instigated, progressed, consolidated with other disputes, settled or determined pursuant to and in accordance with the Dispute Resolution Procedure (except where the relevant ICC Contract Counterparty Confidential

¹⁵⁸ Note to Reader: Legislative reference to be confirmed.

Information has been provided on a "without prejudice" or "without prejudice save as to costs" basis);

- (C) (subject to Condition 56.9) which is required to comply with any Law or Directive (including the rules of any securities exchange, clearing system or regulatory body) having the force of law or, if not having the force of law, compliance with which is in accordance with the general practice of the Emitter; or
- (D) that is otherwise expressly permitted pursuant to the terms, or required for the operation or fulfilment, of the ICC Contract or any other ICC Document.

56.9 Prior to any disclosure of ICC Contract Counterparty Confidential Information by the Emitter pursuant to Condition 56.8(C), the Emitter shall use reasonable endeavours to give notice to the ICC Contract Counterparty of the ICC Contract Counterparty Confidential Information to be disclosed, provided that it is lawful and reasonably practicable in the circumstances to do so.

Emitter: liability for Representatives and service providers

56.10 The Emitter shall be responsible for:

- (A) any failure by its current or former Representatives or any person to whom ICC Contract Counterparty Confidential Information is disclosed pursuant to Condition 56.8(A)(ii), 56.8(A)(iii), 56.8(A)(iv) or 56.8(A)(v) to comply with Condition 56.8 as if they were subject to it;
- (B) any use by its current or former Representatives or any person to whom ICC Contract Counterparty Confidential Information is disclosed pursuant to Condition 56.8(A)(ii) or 56.8(A)(iii), of any ICC Contract Counterparty Confidential Information in breach of Condition 56.7 as if they were subject to it; and
- (C) any failure by any person to whom ICC Contract Counterparty Confidential Information is disclosed pursuant to Condition 56.8(A)(iv) or 56.8(A)(v) to comply with the restrictions on usage of ICC Contract Counterparty Confidential Information provided for in such Conditions.

No licence

56.11 No right or licence is granted to any person in relation to any Confidential Information save as explicitly set out in this Condition 56 (*Confidentiality*).

57. ANNOUNCEMENTS

No announcements

57.1 The Emitter:

- (A) shall not, and shall ensure that its directors, officers and employees do not; and
- (B) shall use reasonable endeavours to ensure that each of its other current or former Representatives and each member of its Group (and their respective Representatives) do not,

make, publish, issue or release any announcement or public statement in relation to, or which refers to, the ICC Contract or any other ICC Document or any related or ancillary matter, without the express prior consent of the ICC Contract Counterparty (such consent not to be unreasonably withheld or delayed).

Emitter permitted announcements57.2 Notwithstanding Condition 57.1 (*No announcements*):

- (A) the Emitter (and its directors, officers and employees) may make, publish, issue or release any announcement or public statement in relation to, or which refers to, the ICC Contract or any other ICC Document or any related or ancillary matter if and to the extent required by any Law or Directive (including the rules of any securities exchange, clearing system or regulatory body) having the force of law or, if not having the force of law, compliance with which is in accordance with the general practice of the Emitter, provided that:
 - (i) the Emitter shall use (and shall procure that its directors, officers and employees shall use) reasonable endeavours to agree the contents of such announcement or public statement with the ICC Contract Counterparty before it is made, published, issued or released (such consent not to be unreasonably withheld or delayed); or
 - (ii) if the contents of such announcement or public statement are not able to be agreed before the making, publishing, issuing or releasing of such announcement or public statement, notify the ICC Contract Counterparty of such announcement or public statement immediately following its being made, published, issued or released; and
- (B) neither the Emitter (nor any of its directors, officers or employees) shall be precluded from making, publishing, issuing or releasing any announcement or publication in relation to, or which refers to, the ICC Contract or any other ICC Document or any related or ancillary matter if such announcement or publication:
 - (i) does not contain any ICC Contract Counterparty Confidential Information;
 - (ii) will not hinder, preclude, prejudice or otherwise adversely affect or impact upon the ICC Contract Counterparty Permitted Purposes or the ICC Contract Counterparty's ability to fulfil the ICC Contract Counterparty Permitted Purposes (whether in relation to the ICC Contract or any other CCUS Programme ICC Contract);
 - (iii) does not relate or refer to any fact, matter or circumstance in respect of a Dispute or which will, or is reasonably likely to, give rise to a Dispute (whether in relation to the ICC Contract or any other CCUS Programme ICC Contract); and
 - (iv) will not hinder, preclude, prejudice or otherwise adversely affect or impact upon:
 - (a) the allocation by the Secretary of State or the ICC Contract Counterparty of CCUS Programme ICC Contracts or Other CCUS Programme Contracts, including any auction process in relation thereto;
 - (b) any application by any person for a CCUS Programme ICC Contract or Other CCUS Programme Contract,

provided that the Emitter shall notify the ICC Contract Counterparty of such announcement or public statement immediately following its being made, published, issued or released.

- 57.3 Condition 57.2 shall apply (with the necessary modifications) to any announcement or public statement made, published, issued or released (or proposed to be so made, published, issued or released) by any of the persons referenced in Condition 57.1(B).

ICC Contract Counterparty permitted announcements

- 57.4 The ICC Contract Counterparty may make, publish, issue or release any announcement or public statement in relation to, or which refers to, the ICC Contract or any other ICC Document or any related or ancillary matter that it considers to be necessary, desirable or appropriate (acting reasonably), provided that, if and to the extent that such announcement or statement contains any Emitter Confidential Information, the making, publication, issue or release of such announcement or public statement does not breach Condition 56 (*Confidentiality*).

58. FREEDOM OF INFORMATION

Emitter acknowledgements and undertakings

- 58.1 The Emitter acknowledges and agrees that the ICC Contract Counterparty:

- (A) is subject to the requirements of the FoIA and the EIR;
- (B) may be obliged under the FoIA or the EIR to disclose Emitter Confidential Information:
 - (i) in certain circumstances without consulting or obtaining consent from the Emitter; or
 - (ii) following consultation with the Emitter and having taken their views into account,
- (C) shall be responsible for determining in its absolute discretion (subject to any decision of the Information Commissioner following an application under section 50 of the FoIA and the outcome of any subsequent appeal to the Tribunal if applicable), whether the FoIA Information it holds (or that is held on its behalf) that is the subject of a Request for Information:
 - (i) is exempt or excepted from disclosure pursuant to the FoIA or the EIR, as appropriate; or
 - (ii) is to be disclosed in response to a Request for Information,

and, for the purposes of this Condition 58.1(C), any notification to the ICC Contract Counterparty which identifies FoIA Information as being Emitter Confidential Information is of indicative value only and the ICC Contract Counterparty may nevertheless be obliged to disclose such FoIA Information in accordance with the requirements of the FoIA and the EIR.

- 58.2 The Emitter:

- (A) shall not, and shall ensure that its directors, officers and employees do not; and
- (B) shall use reasonable endeavours to ensure that each of its other current or former Representatives and each member of its Group (and their respective Representatives) do not,

respond directly to a Request for Information unless expressly authorised to do so in writing by the ICC Contract Counterparty.

- 58.3 The Emitter undertakes to assist and co-operate with the ICC Contract Counterparty, at the Emitter's cost, to enable the ICC Contract Counterparty to comply with its obligations pursuant to the FoIA and the EIR.

Requests for Information: procedure

- 58.4 If the ICC Contract Counterparty receives a Request for Information in relation to FoIA Information that the Emitter is holding on behalf of the ICC Contract Counterparty and which the ICC Contract Counterparty does not hold itself, the ICC Contract Counterparty shall notify the Emitter as to the FoIA Information to which the Request for Information relates and the Emitter shall:
- (A) as soon as reasonably practicable (and in any event within five (5) Business Days, or such longer period as is specified by the ICC Contract Counterparty, after the ICC Contract Counterparty's request) provide the ICC Contract Counterparty with a copy of all such FoIA Information in the form that the ICC Contract Counterparty requests; and
 - (B) provide all assistance reasonably requested by the ICC Contract Counterparty in respect of any such FoIA Information to enable the ICC Contract Counterparty to respond to a Request for Information within the time for compliance set out in section 10 of the FoIA or regulation 5 of the EIR.
- 58.5 Following notification under Condition 58.4 and until the Emitter has provided the ICC Contract Counterparty with all the FoIA Information specified in Condition 58.4(A), the Emitter may make representations to the ICC Contract Counterparty whether or on what basis the FoIA Information requested should be disclosed, and whether further Information should reasonably be provided to identify and locate the FoIA Information requested.
- 58.6 The Emitter shall ensure that all FoIA Information held on behalf of the ICC Contract Counterparty is retained for disclosure and shall permit the ICC Contract Counterparty to inspect such FoIA Information as requested from time to time.
- 58.7 If the Emitter receives a Request for Information in relation to the ICC Contract Counterparty or in connection with the ICC Contract, the Emitter shall as soon as reasonably practicable and in any event within two (2) Business Days after receipt forward such Request for Information to the ICC Contract Counterparty, and this Condition 58 (*Freedom of information*) shall apply as if the Request for Information had been received by the ICC Contract Counterparty.

Publication schemes

- 58.8 Nothing in this Condition 58 (*Freedom of information*) shall restrict or prevent the publication by the ICC Contract Counterparty of any FoIA Information in accordance with:
- (A) any publication scheme (as defined in the FoIA) adopted and maintained by the ICC Contract Counterparty in accordance with the FoIA;
 - (B) any model publication scheme applicable to the ICC Contract Counterparty as may be approved by the Information Commissioner; or
 - (C) the obligation to proactively release information under Regulation 4(1)(a) of the EIR,
- provided that, in deciding whether to publish Emitter Confidential Information in accordance with any such publication scheme or model publication scheme, the ICC Contract Counterparty

shall take account of whether such Emitter Confidential Information would be exempt from disclosure pursuant to the FOIA or the EIR.

Part 13 Miscellaneous

59. INTELLECTUAL PROPERTY RIGHTS

Retention of Intellectual Property Rights

- 59.1 Nothing in the ICC Contract shall transfer any ownership of any Intellectual Property Rights acquired or developed by or on behalf of any Party, whether pursuant to or independently from (and whether before or during the term of) the ICC Contract, any other ICC Document or (in the case of the ICC Contract Counterparty) any other CCUS Programme ICC Contract.

Licence of Intellectual Property Rights

- 59.2 Each Party hereby grants to the other Party with effect from the Agreement Date and subject to Condition 59.3(B) for the duration of the Term, a licence of any Intellectual Property Rights that are created by it, or on its behalf, pursuant to the terms of the ICC Contract, any other ICC Document or (in the case of the ICC Contract Counterparty) any other CCUS Programme ICC Contract that:

- (A) it owns; or
- (B) is licensed to it (but only to the extent that it has the right to sub-license such Intellectual Property Rights),

on a non-exclusive, royalty-free, non-transferable basis and (subject to Condition 59.3) solely for the ICC Contract Counterparty Restricted Purposes (in the case of the ICC Contract Counterparty as licensee) or the Emitter Permitted Purpose (in the case of the Emitter as licensee).

- 59.3 The licence granted pursuant to Condition 59.2 shall:

- (A) permit each Party to sub-license to the extent required for the ICC Contract Counterparty Restricted Purposes (in the case of the ICC Contract Counterparty as licensee) or the Emitter Permitted Purpose (in the case of the Emitter as licensee); and
- (B) permit each Party to use and sub-license the Intellectual Property Rights after expiry or termination of the ICC Contract, but only for the ICC Contract Counterparty Restricted Purposes (in the case of the ICC Contract Counterparty) or the Emitter Permitted Purpose (in the case of the Emitter).

Indemnity for infringement of Intellectual Property Rights

- 59.4 The Emitter shall promptly on demand from time to time indemnify the ICC Contract Counterparty, and keep the ICC Contract Counterparty fully and effectively indemnified, against all liabilities, costs, expenses, damages and losses (including legal costs) incurred in respect of any actual infringement of third party Intellectual Property Rights arising from the use by the ICC Contract Counterparty (or any entity that is sub-licensed in accordance with Condition 59.3) of Intellectual Property Rights licensed to the ICC Contract Counterparty by the Emitter pursuant to Condition 59.2, provided that such infringement has arisen from the use of such Intellectual Property Rights in accordance with the ICC Contract Counterparty Restricted Purposes.

- 59.5 The ICC Contract Counterparty shall promptly on demand from time to time indemnify the Emitter, and keep the Emitter fully and effectively indemnified, against all liabilities, costs, expenses, damages and losses (including legal costs) incurred in respect of any actual

infringement of third party Intellectual Property Rights arising from the use by the Emitter (or any entity that is sub-licensed in accordance with Condition 59.3(A)) of Intellectual Property Rights licensed to the Emitter by the ICC Contract Counterparty pursuant to Condition 59.2, provided that such infringement has arisen from the use of such Intellectual Property Rights in accordance with the Emitter Permitted Purpose.

60. **EMITTER CO-OPERATION: SUBSIDY CONTROL RULES**

60.1 If the ICC Contract Counterparty is notified or becomes aware that a Subsidy Control Competent Authority or other Competent Authority has decided that the ICC Contract Counterparty or other public body must recover any subsidy granted or paid in relation to the ICC Contract and that decision has not been annulled, the ICC Contract Counterparty shall, if it is the party to which such order is addressed or if otherwise required by the Secretary of State, give notice as soon as reasonably practicable to the Emitter of the sums to be repaid and any other actions necessary to ensure compliance with a Subsidy Control Competent Authority or other Competent Authority's decision and the Emitter shall repay or procure the repayment of the relevant sums so notified to the ICC Contract Counterparty or as the ICC Contract Counterparty directs and take any other necessary actions so notified without delay.

60.2 The Emitter shall, on reasonable notice and at its own cost:

(A) do or procure the doing of all acts and execute or procure the execution of all documents; and

(B) provide the ICC Contract Counterparty with the Information and assurances,

reasonably necessary for the ICC Contract Counterparty or other public body to comply with the terms of any decision of a Subsidy Control Competent Authority or other Competent Authority pursuant to the Subsidy Control Rules in relation to the ICC Contract and any other CCUS Programme ICC Contracts.

61. **EMITTER ACKNOWLEDGEMENTS: GENERAL**

Emitter responsibility for advice and appraisal

61.1 The Emitter acknowledges and agrees that none of the ICC Contract Counterparty, the ICC Contract Settlement Services Provider or the Secretary of State (nor any of their respective Representatives):

(A) is:

(i) acting as a fiduciary of the Emitter; or

(ii) advising the Emitter (including as to any financial, legal, tax, investment, accounting or regulatory matters in any jurisdiction); or

(B) shall have any liability, duty, responsibility or obligation to the Emitter with respect thereto.

ICC Contract Counterparty contracting as principal

61.2 The Emitter acknowledges and irrevocably and unconditionally agrees that:

(A) the ICC Contract Counterparty is contracting as principal and not on behalf of or as an agent for the Secretary of State;

- (B) it shall not have or bring any claim or action against the Secretary of State (or their respective Representatives), or the Representatives of the ICC Contract Counterparty, in respect of the ICC Contract or any other ICC Document;
- (C) nothing in the ICC Contract or any other ICC Document shall impute or impose any liability, duty, responsibility or obligation upon the ICC Contract Counterparty (other than pursuant to and in accordance with the express terms of the ICC Contract or any other ICC Document); and
- (D) it shall not hold itself out as having any authority to act for or represent the ICC Contract Counterparty in any way, nor act in any way which confers on the Emitter any express, implied or apparent authority to incur any obligation or liability on behalf of the ICC Contract Counterparty.

Emitter's relationship with the ICC Contract Settlement Services Provider

- 61.3 The Emitter acknowledges and agrees that it shall not have or bring any claim or action against the ICC Contract Settlement Services Provider in respect of any breach of the ICC Contract (or any other ICC Document) or any loss, damage, cost or expense suffered or incurred thereunder and that its sole recourse for any breach of the ICC Contract (or any other ICC Document) or any loss, damage, cost or expense suffered or incurred thereunder shall be against the ICC Contract Counterparty.

62. NO PARTNERSHIP

Nothing in the ICC Contract or any other ICC Document and no action taken by the Parties pursuant to the ICC Contract or any other ICC Document shall constitute a partnership, joint venture or agency relationship between the Parties.

63. TRANSFERS

Restriction on Transfers

- 63.1 Save as expressly permitted by this Condition 63 (*Transfers*), neither Party may:

- (A) assign to any person all or any of its rights or benefits under the ICC Contract or any other ICC Document;
- (B) make a declaration of trust in respect of or enter into any arrangement whereby it agrees to hold in trust for any person all or any of its rights or benefits under the ICC Contract or any other ICC Document; or
- (C) transfer (whether by way of novation, sub-contract, delegation or otherwise) to any person, or enter into an arrangement whereby any person is to perform, any or all of its obligations under the ICC Contract or any other ICC Document,

(each, a "**Transfer**", and "**Transferee**"), without the prior written consent of the other Party.

Permitted Transfers by the ICC Contract Counterparty

- 63.2 Notwithstanding Condition 63.1 (*Restriction on Transfers*), a Transfer of the ICC Contract Counterparty's rights or obligations may be effected (whether by virtue of any Law or any scheme pursuant to any Law or otherwise), without the consent of the Emitter, to any:

- (A) company formed and registered under the Companies Act 2006;
- (B) entity directly wholly-owned or controlled by a Minister of the Crown; or

(C) public authority, including any person any of whose functions are of a public nature, in each case where such company, entity or public authority:

- (i) acquires the whole of the ICC Contract;
- (ii) has the legal capacity, power and authority to become a party to, and to perform the obligations and exercise the discretions of the ICC Contract Counterparty under, the ICC Contract;
- (iii) has sufficient financial standing or access to sufficient financial resources to perform the payment obligations of the ICC Contract Counterparty under the ICC Contract; and
- (iv) has or has access to sufficient non-financial resources and expertise to perform the obligations and exercise the discretions of the ICC Contract Counterparty under the ICC Contract.

Other permitted assignments by the ICC Contract Counterparty

63.3 Notwithstanding Condition 63.1 (*Restriction on Transfers*), the ICC Contract Counterparty shall be entitled, without the consent of the Emitter, to assign to any person all or any of its rights or benefits under the ICC Contract and any other ICC Document on such terms as the ICC Contract Counterparty considers appropriate.

Permitted delegation by the ICC Contract Counterparty

63.4 Notwithstanding Condition 63.1 (*Restriction on Transfers*), the ICC Contract Counterparty shall be entitled, without the consent of the Emitter, to sub-contract or delegate to any person, or enter into an arrangement whereby any person is to perform, any or all of its obligations under the ICC Contract and any other ICC Document on such terms as the ICC Contract Counterparty considers appropriate, provided that the ICC Contract Counterparty shall not be relieved of any of its obligations under the ICC Contract and any other ICC Document and shall be liable for the acts and omissions of any person to whom it sub contracts or delegates or with whom it enters into an arrangement to perform any or all of its obligations under the ICC Contract and any other ICC Document.

General provisions relating to permitted transfers

- 63.5 (A) If the ICC Contract Counterparty effects or proposes to effect a Transfer referred to in Conditions 63.2, 63.3 or 63.4, the Emitter shall enter into such further agreements and do all such other things as are necessary to substitute the relevant Transferee for the ICC Contract Counterparty in respect of the rights, benefits, obligations or liabilities that are, or are to be, the subject of the Transfer (the **"Transferring Rights and Obligations"**) and to give effect to any consequential amendments to the ICC Contract (or other relevant ICC Document) that are necessary to give effect to such transfer.
- (B) To the extent practicable, the ICC Contract Counterparty shall give the Emitter not less than ten (10) Business Days' prior written notice specifying the identity of the Transferee and the Transferring Rights and Obligations, provided that no such prior written notice shall be required in respect of any Transfer pursuant to Condition 63.4 (*Permitted delegation by the ICC Contract Counterparty*).

Permitted assignment by the Emitter

63.6 Notwithstanding Condition 63.1 (*Restriction on Transfers*), the Emitter shall be entitled, without the consent of the ICC Contract Counterparty, to assign all (but not part only) of its rights and

benefits under the ICC Contract and any other ICC Document by way of security to or in favour of:

- (A) a Lender;
- (B) any Affected Person;
- (C) any parent undertaking of the Emitter which provides funding in relation to the Installation; or
- (D) any agent or security trustee on behalf of any Lender or Affected Person or any parent undertaking of the Emitter referred to in (C) above.

The Emitter shall give the ICC Contract Counterparty not less than ten (10) Business Days' written notice prior to effecting an assignment pursuant to this Condition 63.6 and shall specify in such notice the identity of the assignee and provide such details in relation to such assignee as the ICC Contract Counterparty may reasonably request having received such notification.

Direct Agreement

63.7 The ICC Contract Counterparty shall enter into a Direct Agreement with, and at the request of, any person (or with any agent or security trustee on the relevant person's behalf):

- (A)
 - (i) who is a Lender with the benefit of first ranking security over all or substantially all of the assets of the Emitter (including its rights in respect of the Capture Plant and under the ICC Contract); or
 - (ii) who is an Affected Person (or an agent or security trustee on an Affected Person's behalf) with the benefit of first ranking security over all or substantially all of the assets of the Emitter (including its rights in respect of the Capture Plant and under the ICC Contract); and
- (B) in whose favour the Emitter assigns its rights under the ICC Contract and any other ICC Document in accordance with Condition 63.5.

Other Transfers by the Emitter; Stapling obligation

63.8 If the consent of the ICC Contract Counterparty to the transfer by the Emitter of all or substantially all of the Emitter's rights, benefits and obligations under the ICC Contract and any other ICC Document to a Transferee is required and is given, the Emitter shall transfer ownership of the Installation to the same Transferee contemporaneously with the Transfer. Any Transfer effected, or purported to be effected, in breach of this Condition 63.8 shall be ineffective and void.

Costs

63.9 The ICC Contract Counterparty shall, promptly on demand from time to time, indemnify the Emitter, and keep the Emitter fully and effectively indemnified, against any and all out-of-pocket costs properly incurred by the Emitter and which would not have been incurred but for a Transfer of the rights and obligations of the ICC Contract Counterparty pursuant to Condition 63.2 (*Permitted Transfers by the ICC Contract Counterparty*).

64. NOTICES

Form of notices

- 64.1 Any notice to be given pursuant to or in connection with the ICC Contract, or any other ICC Document, shall be effective only if it is in writing and is in English. Faxes are not permitted and, unless otherwise expressly stated, website publication is not permitted, but email and submission to the ICC Contract Counterparty's electronic portal are permitted.

Pro forma notices

- 64.2 Where these Conditions permit, or require, either Party to give a notice to the other Party such notice shall be in substantially the form set out in Annex 8 (*Pro forma notices*) (each such notice, a "**Pro Forma**"). The foregoing: (i) shall be without prejudice to the requirement for the relevant notice to include such content as may be prescribed by the relevant Condition; and (ii) shall apply only if a Pro Forma in respect of the relevant Condition is contained in Annex 8 (*Pro forma notices*).

Notice details

- 64.3 The notice details of the Parties as at the Agreement Date are set out in the ICC Agreement.

Changes to notice details

- 64.4 A Party may change its notice details on giving notice to the other Party in accordance with this Condition 64 (*Notices*). Such notice shall be effective only from:
- (A) the date specified in such notice (being not less than three (3) Business Days after the date of delivery or deemed delivery of such notice); or
 - (B) (if no date is specified in such notice or the date specified is fewer than three (3) Business Days after the date of delivery or deemed delivery of such notice) the date falling three (3) Business Days after the notification has been received.

Deemed delivery

- 64.5 Any notice given pursuant to or in connection with the ICC Contract or any other ICC Document shall, in the absence of evidence of earlier receipt, be deemed to have been received:
- (A) if delivered by hand, on the Business Day of delivery or, if delivered on a day other than a Business Day, on the next Business Day after the date of delivery;
 - (B) if sent by first class post within the United Kingdom, on the third (3rd) Business Day after the day of posting;
 - (C) if sent from one country to another, on the fifth (5th) Business Day after the day of posting;
 - (D) if sent by email, when sent except that an email shall be deemed not to have been sent if the sender receives a delivery failure notification; or
 - (E) if submitted to the ICC Contract Counterparty's electronic portal, when submitted except that an electronic portal submission shall be deemed not to have been submitted if the Party submitting the electronic portal submission receives an upload failure notification,
- provided that any notice given outside Working Hours in the place to which it is addressed (or, in the case of a notice sent by email, the location of the person to whom it is addressed) shall be deemed not to have been given until the start of the next period of Working Hours in such place.

Notice requirements

- 64.6 Except where expressly stated to the contrary, each notice given by the ICC Contract Counterparty to the Emitter, or by the Emitter to the ICC Contract Counterparty, pursuant to the ICC Contract or any other ICC Document must be duly signed (including, in the case of notice by way of email, by Electronic Signature (and **"Electronic Signature"** shall have the meaning given to that term in the Electronic Communications Act 2000)):
- (A) in the manner, and by the person, specified in the relevant provision of the ICC Contract or ICC Document; or
 - (B) (where no such requirement is specified) by an authorised signatory of the relevant Party.

Disapplication of notice provisions

- 64.7 This Condition 64 (*Notices*) shall not apply in relation to any document relating to service of process (including in respect of the service of Service Documents).

65. COSTS

- 65.1 Subject to Condition 65.2, each Party shall bear all costs and expenses incurred by it in connection with the entry into the ICC Contract and each other ICC Document, including all costs and expenses incurred in connection with the negotiation, preparation, execution, performance and carrying into effect of, and compliance with, the ICC Contract and each other ICC Document.
- 65.2 Condition 65.1 is subject to any provision of the ICC Contract or any other ICC Document which expressly provides for the Emitter to bear the costs and expenses of the ICC Contract Counterparty (or to pay or reimburse or indemnify the ICC Contract Counterparty in respect of such costs and expenses) in respect of which such costs and expenses shall comprise all out-of-pocket costs and expenses (including all legal and other advisory and consultants' fees) properly incurred by the ICC Contract Counterparty in relation to the relevant matter. Where such costs and expenses are required to be apportioned between the Emitter and one (1) or more other ICC Emitters, the ICC Contract Counterparty shall apportion such costs between the Emitter and such other ICC Emitters (for this purpose ignoring the proviso in the definition of ICC Emitters in Condition 1.1) in such proportion as the ICC Contract Counterparty (acting reasonably) deems fair and equitable.

66. FURTHER ASSURANCE

Each Party shall at its own cost do or procure the doing of all things and execute or procure the execution of all further documents necessary to give full force and effect to and securing to the other Party the full benefit of the rights, powers and benefits conferred upon it under or pursuant to the ICC Contract and all other ICC Documents save that the ICC Contract Counterparty shall not be required pursuant to this Condition 66 (*Further assurance*) to exercise or perform any statutory power or duty.

67. THIRD PARTY RIGHTS

- 67.1 Conditions 61.1, 61.2 and 61.3 confer benefits on the ICC Contract Settlement Services Provider, the Secretary of State and their respective Representatives (each, a **"Third Party"**) (such Conditions being **"Third Party Provisions"**).¹⁵⁹

¹⁵⁹ Note to Reader: Third party rights provisions are subject to further review by BEIS in light of development of declarations and metering framework for CO₂.

67.2 Subject to the remaining provisions of this Condition 67 (*Third party rights*), the Third Party Provisions are intended to be enforceable by the Third Parties by virtue of the C(RTP) Act.

67.3 The Parties do not intend that any term of the ICC Contract, other than the Third Party Provisions, should be enforceable, by virtue of the C(RTP) Act, by any person who is not a Party.

67.4 Notwithstanding this Condition 67 (*Third party rights*), the ICC Contract may be varied in any way and at any time by the Parties without the consent of any Third Party.

68. NO VARIATION

68.1 Subject to Condition 68.2, no variation to the provisions of the ICC Contract shall be valid unless it is in writing and signed by each Party.

68.2 Condition 68.1 is subject to the operation of:

(A) Condition 32 (*Change in Applicable Law: Procedure*);

(B) Annex 4 (*Change Control Procedure*); and

(C) Annex 6 (*Carbon Market Reference Price Review*).

69. COUNTERPARTS

The ICC Contract may be executed in any number of counterparts and by the Parties to it on separate counterparts, but shall not be effective until each Party has executed at least one (1) counterpart. Each counterpart shall constitute an original but all of the counterparts together shall constitute one and the same instrument.

70. GOVERNING LAW AND JURISDICTION

70.1 The ICC Contract, the other ICC Documents and any matter, claim or dispute arising out of or in connection with any of them (including any Dispute) shall be governed by and construed in accordance with English law.

70.2 Any Dispute shall be finally determined or resolved in accordance with the Dispute Resolution Procedure.

71. AGENT FOR SERVICE OF PROCESS

Application

71.1 This Condition 71 (*Agent for service of process*) shall apply to the ICC Contract only if it is expressed to apply to the ICC Contract in the ICC Agreement.

Service Agent

71.2 The Emitter irrevocably appoints the Service Agent to be its agent for the receipt of Service Documents and claim forms, application notices, orders, judgments and any other documents relating to any Dispute. It agrees that any Service Document and any claim form, application notice, order, judgment or other document relating to any Dispute may be effectively served on it in England and Wales by service on its Service Agent effected in any manner permitted by the Civil Procedure Rules.

Replacement

- 71.3 If the Service Agent at any time ceases for any reason to act as such, the Emitter shall appoint a replacement agent for the receipt of Service Documents and claim forms, application notices, orders, judgments and any other documents relating to any Dispute having an address for service in England or Wales and shall notify the ICC Contract Counterparty of the name and address of the replacement agent. Failing such appointment and notification, the ICC Contract Counterparty shall be entitled by notice to the Emitter to appoint a replacement agent to act on behalf of the Emitter for the receipt of Service Documents and claim forms, application notices, orders, judgments and any other documents relating to any Dispute. The provisions of this Condition 71 (*Agent for service of process*) applying to service on a Service Agent apply equally to service on a replacement agent.

Service of process

- 71.4 A copy of any Service Document or any claim form, application notice, order, judgment or other document relating to any Dispute served on an agent shall be sent by post to the Emitter. Failure or delay in so doing shall not prejudice the effectiveness of service of the relevant document.

72. LANGUAGE

English language

- 72.1 All Information provided by the Emitter to the ICC Contract Counterparty pursuant to or in connection with the ICC Contract or any other ICC Document shall be in English unless otherwise agreed in writing by the ICC Contract Counterparty.

Translations

- 72.2 In the case of any Information which is translated into English, prior to its being delivered to the ICC Contract Counterparty pursuant to the ICC Contract or any other ICC Document, the Emitter shall ensure that any such translation is carried out (at the Emitter's cost) by a recognised and appropriately qualified and skilled translation agent.
- 72.3 The ICC Contract Counterparty shall be entitled to assume the accuracy of and rely upon the English translation of any Information provided pursuant to Condition 72.2 and the English translation shall prevail.

Annex 1
Conditions Precedent

Part A
Initial Conditions Precedent

1. LEGAL OPINION

Delivery to the ICC Contract Counterparty of a legal opinion addressed to the ICC Contract Counterparty, in form and content satisfactory to the ICC Contract Counterparty (acting reasonably), from the legal advisers to the Emitter confirming that the Emitter:

- (A) is duly formed and validly existing under the laws of the jurisdiction of formation; and
- (B) has the power to enter into and perform, and has taken all necessary action to authorise its entry into and performance of, the ICC Contract and the other ICC Documents.

2. KYC DOCUMENTATION

Delivery to the ICC Contract Counterparty of evidence, in form and content satisfactory to the ICC Contract Counterparty (acting reasonably) of compliance by the Emitter with "know your customer" or similar identification procedures or checks under all applicable laws and regulations pursuant to the transactions contemplated by the ICC Contract and the other ICC Documents.

3. INDUSTRIAL INSTALLATION AND CAPTURE PLANT

Delivery to the ICC Counterparty of the following:

- (A) a description of the Industrial Installation, in form and content satisfactory to the ICC Contract Counterparty (acting reasonably), including:
 - (i) details of the assets comprising the Industrial Installation;
 - (ii) an aerial view of the unique geographical location of the Industrial Installation, whether an extract from the Ordnance Survey map or equivalent, showing the existing or proposed locations of: (a) the Industrial Installation; [(b) the Capture Plant Metering Equipment]¹⁶⁰; and (c) the Capture Plant Delivery Point(s); and
 - (iii) a process flow diagram of the Industrial Installation,
- (B) a description of the Capture Plant, in form and content satisfactory to the ICC Contract Counterparty (acting reasonably), including:
 - (i) details of the assets comprising the Capture Plant;
 - (ii) an aerial view of the unique geographical location of the Capture Plant whether an extract from the Ordnance Survey map or equivalent, showing the proposed locations of: (a) the Capture Plant; (b) the CO₂ Metering Equipment; (c) the CO₂ T&S Network Delivery Point(s); and, if applicable, (d) the CO₂ Usage Delivery Point(s); and

¹⁶⁰ Note to Reader: BEIS is considering whether CO₂ entering the Capture Plant will be metered.

- (iii) a process flow diagram of the Capture Plant, demonstrating that the Capture Plant will comply with the CO₂ Metering Specification.

4. **KEY PROJECT DOCUMENTS**

Delivery to the ICC Contract Counterparty of evidence, in form and content satisfactory to the ICC Contract Counterparty (acting reasonably), that the following documents have been entered into or obtained by the Emitter:

- (A) a T&S Connection Agreement signed by the Emitter and the T&S Operator;
- (B) a T&S Construction Agreement signed by the Emitter and the T&S Operator;
- (C) if applicable, the Grant Funding Agreement signed by the Secretary of State and the Emitter; and
- (D) Applicable Planning Consents for the Capture Plant and associated infrastructure, with the challenge period having expired (or any challenge having been unsuccessful with no further rights of appeal).

5. **OTHER**

Delivery to the ICC Contract Counterparty of evidence, in form and content satisfactory to the ICC Contract Counterparty (acting reasonably), of the following:

- (A) the Emitter's:
 - (i) certificate of incorporation (if applicable);
 - (ii) most recent annual return (where available); and
 - (iii) VAT certificate of registration;
- (B) a copy of the resolution of the Emitter's board of directors approving the terms of and the transactions contemplated by the ICC Contract and resolving that it executes, delivers and performs the ICC Contract; and
- (C) a declaration by the authorised person(s) of the Emitter that it is:
 - (i) not in receipt of any other scheme of funding by a Government Entity; or
 - (ii) in receipt of another scheme of funding by a Government Entity [and/or any other Approved Scheme of Funding]¹⁶¹, together with Supporting Information in relation to such scheme of funding.

¹⁶¹ Note to Reader: This definition is expected to be relevant if any funding has been provided to the Emitter and/or its Affiliates under the Industrial Energy Transformation Fund and Industrial Decarbonisation Challenge for development/pre-development expenditure incurred in respect of the Project prior to the Agreement Date. Such funding will be notified to, and verified by, BEIS on a project-by-project basis and set out in the ICC Agreement. BEIS is considering whether to refer to any other scheme(s) of funding.

Part B
Operational Conditions Precedent

1. ICC CONTRACT SETTLEMENT SERVICES PROVIDER

Delivery to the ICC Contract Counterparty of written confirmation from the ICC Contract Settlement Services Provider that:

- (A) it has received the ICC Contract Settlement Required Information which is required from the Emitter prior to the Start Date; and
- (B) the Emitter has in place the systems and processes which are necessary for the continued provision of the ICC Contract Settlement Required Information.

2. CO₂ CAPTURE

Delivery to the ICC Contract Counterparty of the following:

- (A) evidence, in form and content satisfactory to the ICC Contract Counterparty (acting reasonably), that the Emitter is complying in full with the CO₂ Metering Obligations at Condition 19.1 (*Undertakings: CO₂ Metering Obligation*);
- (B) evidence, in form and content satisfactory to the ICC Contract Counterparty (acting reasonably), of the CO₂ capture rate that has been Commissioned to demonstrate that the OCP Required CO₂ Capture Rate has been Commissioned;
- (C) evidence, in form and content satisfactory to the ICC Contract Counterparty (acting reasonably), of the CO₂ T&S Flow Rate that has been Commissioned to demonstrate that the CO₂ T&S Flow Rate Estimate has been Commissioned;
- (D) if applicable, evidence, in form and content satisfactory to the ICC Contract Counterparty (acting reasonably), of the CO₂ Usage Flow Rate that has been Commissioned to demonstrate that the CO₂ Usage Flow Rate Estimate has been Commissioned;
- (E) a date and time stamped copy of the schematic diagram, certified as being correct and up to date by a director or company secretary of the Emitter and showing the locations of the CO₂ Metering Equipment (including CO₂ T&S Network Delivery Points and, if applicable, CO₂ Usage Delivery Points) associated with all assets comprised within the Installation (including details of the type of metering and CO₂ Metering Equipment installed in compliance with the CO₂ Metering Obligation); and]
- (F) evidence, in form and content satisfactory to the ICC Contract Counterparty, that the Installation has connected to the T&S Network in accordance with the T&S Operator's compliance requirements ("**T&S Connection Confirmation CP**").¹⁶²¹⁶³

3. [CAPTURE PLANT

Delivery to the ICC Contract Counterparty of the following:

¹⁶² Note to Reader: BEIS is still considering the requirements for non-pipeline transportation solutions.

¹⁶³ Note to Reader: This OCP is subject to further review as the T&S business model develops.

- (A) evidence, in form and content satisfactory to the ICC Contract Counterparty (acting reasonably), that the Emitter is complying in full with the Capture Plant Metering Obligations at Condition 19.2 (*Undertakings: Capture Plant Metering Obligation*); and
- (B) a date and time stamped copy of the schematic diagram, certified as being correct and up to date by a director or company secretary of the Emitter and showing the locations of the Capture Plant Metering Equipment (including Capture Plant Delivery Points) associated with all assets comprised within the Installation (including details of the type of metering and Capture Plant Metering Equipment installed in compliance with the Capture Plant Metering Obligation).]¹⁶⁴

4. **SUBSIDY CONTROL DECLARATION OPERATIONAL CP**

Delivery to the ICC Contract Counterparty of a written confirmation from the Emitter, in form and content satisfactory to the ICC Contract Counterparty (acting reasonably), that either:

- (A) no Subsidy, State aid and/or Union Funding has been received by the Emitter or by any other person in relation to the costs of the Project (excluding the subsidy arising under the ICC Contract, the Grant Funding Agreement [and/or any other Approved Scheme of Funding]¹⁶⁵); or
- (B) Subsidy, State aid and/or Union Funding has been received by the Emitter or by any other person in relation to the costs of the Project (excluding the subsidy arising under the ICC Contract, the Grant Funding Agreement [and/or any other Approved Scheme of Funding]¹⁶⁶), and that such Subsidy, State aid and/or Union Funding (as applicable) (adjusted for interest in accordance with Condition 25.11 (*Subsidy Interest*)) has been repaid to the granter of the subsidy, aid or funding in full.

¹⁶⁴ Note to Reader: BEIS is considering whether pre-capture plant CO₂ will be metered.

¹⁶⁵ Note to Reader: This definition is expected to be relevant if any funding has been provided to the Emitter and/or its Affiliates under the Industrial Energy Transformation Fund and Industrial Decarbonisation Challenge for development/pre-development expenditure incurred in respect of the Project prior to the Agreement Date, which BEIS has agreed does not have to be repaid. Such funding will be notified to, and verified by, BEIS on a project-by-project basis and set out in the ICC Agreement. BEIS is considering whether to refer to any other scheme(s) of funding.

¹⁶⁶ Note to Reader: Please refer to footnote 165.

Annex 2¹⁶⁷
Testing Requirements

¹⁶⁷ Note to Reader: BEIS intends to include a detailed schedule in the final form ICC Contract setting out the minimum technical requirements that an Emitter must satisfy when carrying out the OCP Performance Tests.

Annex 3
Calculation of Termination Payments

Part A
Calculation of T&S Termination Payment

1. DEFINITIONS: PART A

In this Part A (*Calculation of T&S Termination Payment*):

"T&S Prolonged Unavailability Event Tax" means any Tax other than any Tax on gross or net Income, Profits or Gains; and

"T&S Prolonged Unavailability Event Tax Liability" means:

- (A) a liability of the Emitter to make an actual payment of a T&S Prolonged Unavailability Event Tax to a tax authority; and
- (B) the loss to the Emitter of, or a reduction to the Emitter in the amount of, a right to repayment of Tax to which it would otherwise be entitled but for such amount being set off against any liability of the Emitter to make an actual payment of T&S Prolonged Unavailability Event Tax.

2. T&S TERMINATION PAYMENT CALCULATION

The **"T&S Termination Payment"**¹⁶⁸ shall be equal to all irrecoverable and unavoidable out-of-pocket costs which have been, will be or are reasonably likely to be incurred in respect of the Project by the Emitter arising directly from a T&S Prolonged Unavailability Event occurring, if and to the extent that such costs have been incurred by the Emitter (or an Affiliate of the Emitter on the Emitter's behalf) following the Agreement Date and such costs constitute:

- (A) development and pre-development costs in respect of the Capture Plant (including the costs of surveys and environmental impact assessments in respect of the Capture Plant);
- (B) decommissioning costs in respect of the Capture Plant;
- (C) break costs associated with the Emitter's contractual arrangements in respect of the Project; or
- (D) costs which are wholly attributable to the construction, installation, testing, completion or commissioning of the Capture Plant,

provided that any such costs shall not exceed the Total Capex Payment and such costs shall:

- (i) exclude: (a) the Total Return Component; (b) all avoided out-of-pocket costs; (c) reliefs from or reductions in a T&S Prolonged Unavailability Event Tax Liability; (d) insurance proceeds; (e) all costs associated with the Emitter's financing arrangements in respect of the Project (including all interest incurred in respect of, and break costs associated with, the Emitter's financing arrangements); and (f) all other compensation which has been paid or will be or is reasonably likely

¹⁶⁸ Note to Reader: The calculation of the Termination Payment is subject to further review by BEIS including as to whether the calculation of the T&S Termination Payment should be amended if such a payment is due prior to the Start Date.

to be payable by the Emitter in connection with such T&S Prolonged Unavailability Event; and

- (ii) be reduced by all savings which have been, will be or are reasonably likely to be made by the Emitter in respect of the Project arising directly from the T&S Prolonged Unavailability Event (including any net recoverable value from the Capture Plant)^{169, 170}

¹⁶⁹ Note to Reader: BEIS is undertaking further work in relation to the (i) calculation of the net recoverable value and (ii) whether contractual break costs will be included in the T&S Termination Payment.

¹⁷⁰ Note to Reader: BEIS is considering how these costs will be adjusted including whether they will be reduced for any capex payments made under the ICC Contract prior to termination.

Part B
Calculation of Default Termination Payment

1. DEFAULT TERMINATION PAYMENT

1.1 In the event that the ICC Contract Counterparty exercises its right to terminate the ICC Contract under Condition 35.26 (*Default termination*), the "**Default Termination Payment**" shall be:

- (A) subject to any adjustment that is required pursuant to Condition 36.9 (*Consequences of default termination*); and
- (B) calculated in accordance with the following formula:

$$\text{Default Termination Payment} = f(t) \times MA \times TFR$$

where:

| | | |
|--------|---|--|
| $f(t)$ | = | <ul style="list-style-type: none">• where the Default Termination Date falls in Contract Payment Term Years 1 to 8 = 1• where the Default Termination Date falls in Contract Payment Term Year 9 = 2/3• where the Default Termination Date falls in Contract Payment Term Years 10 to 15 = 1/3 |
|--------|---|--|

| | | |
|------|---|---|
| MA | = | Maximum Annual CO ₂ Capture Quantity (tCO ₂) |
|------|---|---|

| | | |
|-------|---|--|
| TFR | = | Termination Fee Rate equal to £5 (£/tCO ₂) |
|-------|---|--|

1.2 For the avoidance of doubt, where the ICC Contract Counterparty exercises its right to terminate the ICC Contract under Condition 35.26 (*Default termination*) on the basis that more than one (1) ground for termination has arisen, the Emitter shall not be liable to pay more than one Default Termination Payment to the ICC Contract Counterparty.

Annex 4

Change Control Procedure

1. INTERPRETATION: ANNEX 4

Interpretation

- 1.1 In this Annex 4 (*Change Control Procedure*), any reference to an "amendment" (or grammatical variation thereof or any analogous term) in respect of any Proposed Amendment shall be deemed to include any change, replacement, deletion or supplement to or of any provision of:
- (A) the ICC Contract;
 - (B) CCUS Programme ICC Contracts (other than any CCUS Programme ICC Contract to which this Annex 4 (*Change Control Procedure*) is expressed not to apply); or
 - (C) CCUS Programme ICC Contracts of a particular category (other than any CCUS Programme ICC Contract to which this Annex 4 (*Change Control Procedure*) is expressed not to apply).

2. CHANGE CONTROL PROCEDURE

Amendment Notifications

- 2.1 The ICC Contract Counterparty may at any time give a notice to the Emitter proposing an amendment to the ICC Contract (an "**Amendment Notification**"). Each Amendment Notification shall:
- (A) set out the proposed amendment(s) (the "**Proposed Amendment**");
 - (B) specify the date on which the Proposed Amendment is proposed to become effective (the "**Proposed Amendment Effective Date**");
 - (C) state whether the ICC Contract Counterparty considers the Proposed Amendment to be a Material Amendment or a Technical Amendment;
 - (D) if the ICC Contract Counterparty considers the Proposed Amendment to be a Technical Amendment, state whether the Proposed Amendment is a General Amendment;
 - (E) if the Proposed Amendment is a General Amendment, state whether it applies to all CCUS Programme ICC Contracts or only to those of a specified category or categories (in each case, other than any CCUS Programme ICC Contract to which this Annex 4 (*Change Control Procedure*) is expressed not to apply) and, if the latter, set out those categories; and
 - (F) contain such Supporting Information as the ICC Contract Counterparty considers necessary to enable the Emitter to evaluate the Proposed Amendment.

Material Amendments: process

- 2.2 If an Amendment Notification specifies that the Proposed Amendment is a Material Amendment, the Emitter shall, no later than twenty (20) Business Days after the Amendment Notification has been received, either:
- (A) confirm by notice in writing to the ICC Contract Counterparty that it agrees with the Proposed Amendment and the Proposed Amendment Effective Date; or

- (B) specify, by notice in writing to the ICC Contract Counterparty (a **"Material Amendment Response Notification"**), any objections which the Emitter has to:
 - (i) the Proposed Amendment, any such notification to include details of:
 - (a) any proposal by the Emitter to address the matters identified in the Amendment Notification by means of an alternative amendment; and
 - (b) any consequential matters arising from the Proposed Amendment which the Emitter considers have not been identified in the Amendment Notification; or
 - (ii) the Proposed Amendment Effective Date.
- 2.3 Any Material Amendment Response Notification shall also include such Supporting Information as the Emitter considers necessary to enable the ICC Contract Counterparty to evaluate the matters covered in such notification.
- 2.4 No later than ten (10) Business Days after receipt by the ICC Contract Counterparty of a Material Amendment Response Notification, the Parties shall meet and negotiate in good faith to agree:
- (A) whether to effect the Proposed Amendment;
 - (B) the date on which the Proposed Amendment shall become effective (which need not be the Proposed Amendment Effective Date); and
 - (C) if effected:
 - (i) the terms of the Proposed Amendment; and
 - (ii) what, if any, consequential amendments need to be made to the ICC Contract.

Material Amendments: implementation

- 2.5 A Material Amendment shall not become effective unless and until documented in writing and signed by each Party (a **"Material Amendment Agreement"**). Any Material Amendment Agreement shall:
- (A) set out the amendment which is to be effected;
 - (B) state the effective date of the amendment; and
 - (C) detail any consequential amendments to be made (whether or not identified in the Amendment Notification).

Technical Amendments (bilateral Proposed Amendments): process

- 2.6 If an Amendment Notification:
- (A) specifies that the Proposed Amendment is a Technical Amendment; and
 - (B) does not specify that it is a General Amendment, the Emitter shall, no later than twenty (20) Business Days after receipt of the Amendment Notification (the **"Technical Amendment Response Period"**), either:
 - (i) confirm by notice in writing to the ICC Contract Counterparty that it agrees with the Proposed Amendment and the Proposed Amendment Effective Date; or

- (ii) specify, by notice in writing to the ICC Contract Counterparty (a **"Technical Amendment Response Notification"**), any objections which the Emitter has to:
 - (a) the classification of the Proposed Amendment as a Technical Amendment (including reasonable details of the Emitter's reasons for such objections) (a **"Classification Objection"**);
 - (b) the Proposed Amendment, any such notification to include details of:
 - (1) any proposal by the Emitter to address the matters identified in the Amendment Notification by means of an alternative amendment; and
 - (2) any consequential matters arising from the Proposed Amendment which the Emitter considers have not been identified in the Amendment Notification; or
 - (c) the Proposed Amendment Effective Date.

2.7 Any Technical Amendment Response Notification shall also include such Supporting Information as the Emitter considers necessary to enable the ICC Contract Counterparty to evaluate the matters covered in such notification.

2.8 If the Emitter:

- (A) does not give the ICC Contract Counterparty a Technical Amendment Response Notification within the Technical Amendment Response Period, the Proposed Amendment shall be binding on the Parties with effect from the Proposed Amendment Effective Date; or
- (B) gives the ICC Contract Counterparty a Technical Amendment Response Notification within the Technical Amendment Response Period, then the following provisions shall apply:
 - (i) if the Technical Amendment Response Notification included a Classification Objection, then:
 - (a) the Technical Amendment Response Notification shall constitute a Dispute Notice and the resulting Dispute shall be subject to the Dispute Resolution Procedure; and
 - (b) if, pursuant to the Dispute Resolution Procedure, either of the Parties agrees (whether by means of a Senior Representatives Settlement or otherwise) that the Proposed Amendment is a Material Amendment or it is otherwise determined or resolved pursuant to the Dispute Resolution Procedure that the Proposed Amendment is a Material Amendment, then the Proposed Amendment shall not become effective between the Parties unless and until a Material Amendment Agreement is entered into; and
 - (ii) if either:
 - (a) the Technical Amendment Response Notification did not include a Classification Objection; or
 - (b) (pursuant to the Dispute Resolution Procedure) the Parties agree (whether by means of a Senior Representatives Settlement or otherwise)

that the Proposed Amendment is a Technical Amendment or it is otherwise determined or resolved pursuant to the Dispute Resolution Procedure that the Proposed Amendment is a Technical Amendment,

then:

- (1) the ICC Contract Counterparty shall consider the objections of the Emitter set out in the Technical Amendment Response Notification and may make such amendments to the Proposed Amendment as it deems appropriate having regard to such objections; and
- (2) the Proposed Amendment (as amended if the ICC Contract Counterparty elects to so amend pursuant to paragraph 2.8(B)(ii)(b)(1)) shall become binding on the Parties with effect from the Proposed Amendment Effective Date.

Technical Amendments (General Amendments): process

2.9 If an Amendment Notification specifies that the Proposed Amendment is a Technical Amendment and is a General Amendment, then paragraphs 2.6 to 2.8 shall be applied, with the necessary modifications, on the following basis:

- (A) the confirmation provided for in paragraph 2.6(B)(i) shall be deemed to have been given by the Emitter, and the Proposed Amendment shall (subject to paragraph 2.9(C)) be binding on the Emitter with effect from the Proposed Amendment Effective Date, unless seventy-five per cent. (75%) or more in number of all CCP Affected Parties give a Technical Amendment Response Notification to the ICC Contract Counterparty within the Technical Amendment Response Period;
- (B) if seventy-five per cent. (75%) or more in number of the CCP Affected Parties deliver a Technical Amendment Response Notification within the Technical Amendment Response Period then the procedure provided for in paragraph 2.8(B) shall be applied; and
- (C) if the Emitter gives a Technical Amendment Response Notification within the Technical Amendment Response Period which includes a Classification Objection, then the Proposed Amendment shall become binding on the Emitter only in accordance with the provisions of paragraph 2.8(B).

Technical Amendments: implementation

2.10 Where any Technical Amendment is to take effect in accordance with this Change Control Procedure, the Emitter shall, if requested by the ICC Contract Counterparty, promptly sign an agreement (a "**Technical Amendment Agreement**") which:

- (A) sets out the amendment which is to be effected;
- (B) states the effective date of the amendment; and
- (C) details any consequential amendments to be made (whether or not identified in the Amendment Notification),

in each case as agreed, determined or resolved in accordance with the relevant provisions of paragraphs 2.6 to 2.9 (inclusive).

- 2.11 Any failure or refusal by the Emitter to sign a Technical Amendment Agreement shall not operate so as to prevent the relevant Technical Amendment being binding on the Parties with effect from the relevant Proposed Amendment Effective Date in accordance with the provisions of paragraph 2.8(B)(ii) or 2.9(A) (as appropriate).

Miscellaneous

- 2.12 The categorisation of any Proposed Amendment as a Technical Amendment (irrespective of whether it is a General Amendment) or a Material Amendment shall not operate so as to prevent the provisions of Condition 45 (*Consolidation of Connected Disputes*) applying to any Dispute arising in respect of that Proposed Amendment.

Annex 5
Form of Direct Agreement

LOW CARBON CONTRACTS COMPANY LTD
as ICC Contract Counterparty and

[●]
as [Lender(s)]/[Security Trustee]¹⁷¹ and

[●]
as Emitter

DIRECT AGREEMENT
in relation to an Industrial Carbon Capture Contract for *[insert
details of the installation]*

¹⁷¹ Note to draft: Parties to conform to underlying funding arrangements.

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THIS DIRECT AGREEMENT (this "**Deed**") is dated [●] and made as a deed

BETWEEN:

- (1) **LOW CARBON CONTRACTS COMPANY LTD**, a company incorporated under the laws of England and Wales whose registered office is 10 South Colonnade, London, England, E14 4PU and whose company number is 08818711 (the "**ICC Contract Counterparty**");
- (2) **[[insert name of the lender(s)]** a company incorporated under the laws of [●] whose registered office is [●] and whose company number is [●] [the "**Lender(s)**"; /in its capacity as [agent and] security trustee for and on behalf of the Finance Parties (the "**Security Trustee**"); and]
- (3) **[insert name of the emitter]**, a company incorporated under the laws of [England and Wales] whose registered office is [●] and whose company number is [●] (the "**Emitter**")¹⁷².

BACKGROUND

- (A) The ICC Contract Counterparty has entered into the Contract with the Emitter.
- (B) It is a condition precedent to the availability of funding under the Facilities Agreement that the Parties enter into this Deed.
- (C) The Parties intend this document to take effect as a deed.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions¹⁷³

In this Deed, unless otherwise defined herein or the context requires otherwise:

"Affected Person" means any direct or indirect shareholder of the Emitter who is able to evidence to the satisfaction of the ICC Contract Counterparty that if it (or an agent or security trustee on its behalf) has or had the benefit of a Direct Agreement, it is or would be:

- (A) contractually obliged to exercise rights under the relevant Direct Agreement in accordance with the instructions of one (1) or more Lenders (or a security trustee on its or their behalf); or
- (B) party to an agreement regarding the exercise of rights under such Direct Agreement with a person falling within paragraph (A) above;

"Affiliate" means, in relation to a Party, any holding company or subsidiary company of the relevant Party from time to time or any company which is a subsidiary company of a holding company of that Party from time to time (and the expressions "**holding company**" and "**subsidiary**" shall have the meanings respectively ascribed to them by section 1159 of the Companies Act 2006);

"Appointed Representative" means the Representative identified in the Step-In Notice;

¹⁷² Note to draft: Parties to conform to underlying funding arrangements.

¹⁷³ Note to draft: Definitions to conform to underlying funding arrangements

"Business Day" means a day (other than a Saturday or Sunday) on which banks are open for general business in London;

"Contract" means the industrial carbon capture contract dated [●] and made between the ICC Contract Counterparty and the Emitter in relation to the Installation;

"Contract Default" has the meaning given to **"Default"** in the Contract;

"Control" means, in relation to an entity (the **"controlled entity"**), the ability of another entity (the **"controlling entity"**) to:

- (A) exercise the majority of the voting rights in that entity; or
- (B) having become a direct or indirect shareholder, control the majority of the voting rights in that entity, either alone or pursuant to an agreement with other direct or indirect shareholders; or
- (C) having become a direct or indirect shareholder, appoint or remove a majority of the board of directors in that entity, or
- (D) having become a direct or indirect shareholder, exercise dominant influence or control over that entity.

and **"Controlled"** shall be construed accordingly;

"Emitter's Proceeds Account" means the account held by the Emitter at [●] with the account number [●] and sort code [●] or such other account and bank as the Emitter and the [Lender(s)]/[Security Trustee] may notify to the ICC Contract Counterparty from time to time;

"Event of Default" means any event or circumstance the occurrence of which is treated as an event of default under the Facilities Agreement;

"Facilities Agreement" means the facilities agreement dated [[●]]/[on or around the date of this Deed]] between, amongst others, [the lenders named therein,] the [Lender(s)]/[Security Trustee], [the Facility Agent] and the Emitter¹⁷⁴;

"Facility Agent" means the Facility Agent appointed under the Facilities Agreement¹⁷⁵;

"Finance Documents" means the Facilities Agreement and the other documents defined as Finance Documents in the Facilities Agreement¹⁷⁶;

"Finance Parties" means the parties with the benefit of security under the Security Documents and **"Finance Party"** means any of them¹⁷⁷;

"Finance Party Discharge Date" means the date on which all of the Finance Party Obligations have been fully and irrevocably paid or discharged and no further Finance Party Obligations are capable of becoming outstanding;

"Finance Party Obligations" means any obligations owed to the Finance Parties in connection with the Finance Documents;

¹⁷⁴ Note to draft: Definition to conform to underlying funding arrangements

¹⁷⁵ Note to draft: Definition to conform to underlying funding arrangements

¹⁷⁶ Note to draft: Definition to conform to underlying funding arrangements

¹⁷⁷ Note to draft: Definition to conform to underlying funding arrangements

"ICC Contract Counterparty Enforcement Action" means:

- (A) the termination or revocation of the Contract by the ICC Contract Counterparty (including the giving of any notice under or pursuant to Condition 35.1 (*Pre-Start Date termination*), 35.5 (*Termination for Prolonged Force Majeure*) or 35.26 (*Default termination*) of the Contract by the ICC Contract Counterparty to the Emitter terminating the Contract, but excluding the giving of any notice under or pursuant to Condition 35.28 (*Qualifying Change in Law termination*), 35.30 (*QCIL Compensation termination*) or 35.21 (*Termination for failing to remedy a T&S Prolonged Unavailability Event*) of the Contract by the ICC Contract Counterparty to the Emitter terminating the Contract and the subsequent termination of the Contract under that Condition);
- (B) the suspension or withholding (as applicable) by the ICC Contract Counterparty of payments under or pursuant to Condition 8.16 (*Failure to give an Opex Costs Early Reopener Notice*), 18.2 (*Failure to comply with compliance of technology undertaking*), 19.12 (*Failure to comply with Metering Schematic Obligation*), 19.18 (*Failure to provide Metering Access Right*), [19.23 (*Failure to comply with Automated Data Systems Obligations*)], 20.10 (*Failure to comply with Minimum CO₂ Capture Rate Obligation: Suspension*), 21.5 (*Suspension of Payments (Failure to provide CO₂ Metering Data)*), 22.5 (*Suspension of Payments (Failure to provide Full Capture Outage Event Notification)*), 22.12 (*Failure to provide Full Capture Outage Event Access Right*), 24.14 (*Failure to submit a Carbon Intensity Report: Suspension*) or 35.15 (*Failure to comply with T&S Prolonged Unavailability Procedure Obligation: Suspension*) of the Contract; or
- (C) the commencement by the ICC Contract Counterparty of any proceedings for, or the petitioning by the ICC Contract Counterparty for, the winding-up, administration, dissolution or liquidation of the Emitter (or the equivalent procedure under the law of the jurisdiction in which the Emitter is incorporated, domiciled or resident or carries on business or has assets);

"ICC Contract Counterparty Enforcement Notice" means a notice given by the ICC Contract Counterparty to the [Lender(s)]/[Security Trustee] specifying the ICC Contract Counterparty Enforcement Action which the ICC Contract Counterparty intends to take and, in reasonable detail, the grounds for such intended action;

"ICC Documents" has the meaning given to that term in the Contract;

"ICC Settlement Required Information" has the meaning given to that term in the Contract;

"ICC Settlement Services Provider" has the meaning given to that term in the Contract;

"Installation" has the meaning given to that term in the Contract;

"Lender" means any bank or financial institution (excluding any direct or indirect shareholder of the Emitter) which provides debt financing or refinancing in relation to the Installation;

"Non-Qualification Event" [means the Security Trustee ceasing, in respect of the rights afforded to it under this Deed, to act only on behalf of any person who is:

- (A) [a] Lender(s) having the benefit of first ranking security over all or substantially all of the assets of the Emitter (including its rights in respect of the Installation and under the Contract) and in whose favour the Emitter has assigned its rights under the Contract and any other ICC Document in accordance with Condition 63.6 (*Permitted assignment by the Emitter*) of the Contract; or

- (B) an Affected Person having the benefit of first ranking security over all or substantially all of the assets of the Emitter (including its rights in respect of the Installation and under the Contract) and in whose favour the Emitter has assigned its rights under the Contract and any other ICC Document in accordance with Condition 63.6 (*Permitted assignment by the Emitter*) of the Contract;

PROVIDED that there shall not be a Non-Qualification Event where a person who previously satisfied sub-paragraph (A) above has become a direct or indirect shareholder solely as a result of the creation or enforcement of a security interest held by them (a **"Security Shareholder"**) and who otherwise continues to satisfy sub-paragraph (A) above, unless such Security Shareholder (whether directly or indirectly) has exercised Control over the Emitter for a period of twenty (20) Business Days or more prior to the time of any breach, non-compliance or failure which is or may be the subject of an ICC Contract Counterparty Enforcement Notice or, having the right, ability or power to do so, fails to prevent any breach, non-compliance or failure which is or may be the subject of an ICC Contract Counterparty Enforcement Notice.]¹⁷⁸
/

[means the Lender(s) ceasing, in respect of the rights afforded to [it]/[them] under this Deed, to be [a person who is/ persons who are]:

- (A) Lender(s) having the benefit of first ranking security over all or substantially all of the assets of the Emitter (including its rights in respect of the Installation and under the Contract) and in whose favour the Emitter has assigned its rights under the Contract and any other ICC Document in accordance with Condition 63.6 (*Permitted assignment by the Emitter*) of the Contract,

PROVIDED that there shall not be a Non-Qualification Event where [a person/ the persons] who previously satisfied sub-paragraph (A) above [has/have] become [a] direct or indirect shareholder(s) solely as a result of the creation or enforcement of a security interest held by them (a **"Security Shareholder"**) but who otherwise continues to satisfy sub-paragraph (A) above, unless such Security Shareholder (whether directly or indirectly) has exercised Control over the Emitter for a period of twenty (20) Business Days or more prior to the time of any breach, non-compliance or failure which is or may be the subject of an ICC Contract Counterparty Enforcement Notice or, having the right, ability or power to do so, fails to prevent any breach, non-compliance or failure which is or may be the subject of an ICC Contract Counterparty Enforcement Notice.]¹⁷⁹

"Novation Agreement" means a novation agreement entered into pursuant to Clause 9.3 (*Substitution Procedure*) between the ICC Contract Counterparty, the Emitter and the Substitute substantially in the form set out in Appendix 2 (*Form of Novation Agreement*);

"Novation Date" has the meaning given to that term in Clause 9.3(B) (*Substitution Procedure*);

"Novation Notice" means a notice given by the [Lender]/[Security Trustee] to the ICC Contract Counterparty pursuant to Clause 9.1 (*Proposed Substitution*) specifying:

- (A) the identity of the proposed Substitute; and
(B) the Proposed Novation Date;

"NQE Termination Trigger Date" means (as applicable) the date specified in the notice issued to the [Lender(s)]/[Security Trustee] pursuant to Clause 3.4(D)(i) (unless the

¹⁷⁸ Retain wording in square brackets if there is a Security Trustee.

¹⁷⁹ Retain wording in square brackets if there is a Lender but no Security Trustee

[Lender(s)]/[Security Trustee] has remedied the failure or non-compliance prior to such date) or the date of a notice delivered to the ICC Contract Counterparty pursuant to Clause 10.3;

"Party" means a party to this Deed;

"Proposed Novation Date" means the date proposed by the [Lender(s)]/[Security Trustee] in a Novation Notice for the novation to a Substitute of the Emitter's rights and obligations under the Contract;

"Proposed Step-In Date" means the date proposed by the [Lender(s)]/[Security Trustee] in a Step-In Notice upon which the Appointed Representative shall give a Step-In Undertaking as contemplated by Clause 6.2 (*Step-In Undertaking*);

"Representative" means:

- (A) the [Facility Agent], [the Security Trustee] and any Finance Party and/or any of their Affiliates;
- (B) an administrator, administrative receiver, receiver, receiver and manager or any other insolvency official of the Emitter and/or any or all of its assets appointed in connection with the Finance Documents;
- (C) a person directly or indirectly owned or Controlled by [the Facility Agent], [the Security Trustee] and/or the Finance Parties or any of them; or
- (D) any other person approved by the ICC Contract Counterparty;

"Security Documents" means any documents creating or evidencing any existing or future security interest granted by the Emitter to the [Lender(s)]/[Security Trustee] to secure the payment and discharge of any or all Finance Party Obligations;

"Security Shareholder" has the meaning given to that term in the definition "Non-Qualification Event";

"Step-In Date" means the date on which the Appointed Representative gives a Step-In Undertaking to the ICC Contract Counterparty as contemplated by Clause 6.2 (*Step-In Undertaking*);

"Step-In Decision Period" means a period commencing on the date of receipt by the [Lender(s)]/[Security Trustee] from the ICC Contract Counterparty of any ICC Contract Counterparty Enforcement Notice and ending on the first to occur of the Step-In Date, the Novation Date and the date falling one hundred and twenty (120) days after the commencement of the Step-In Decision Period;

"Step-In Notice" has the meaning given to that term in Clause 6.1 (*Step-In Notice*);

"Step-In Period" means the period from the Step-In Date to and including the first to occur of:

- (A) the expiry of the notice period in any notice given under Clause 8 (*Step-Out*);
- (B) the Novation Date;
- (C) the Finance Party Discharge Date; and
- (D) the date of any termination or revocation of the Contract by the ICC Contract Counterparty in accordance with this Deed and the Contract;

"Step-In Undertaking" means an undertaking substantially in the form set out in Appendix 1 (*Form of Step-In Undertaking*) given by the Appointed Representative;

"Step-Out Date" means the date upon which a Step-In Period ends;

"Step-Out Notice" has the meaning given to that term in Clause 8(A) (*Step-Out*);

"Substitute" means a person nominated by the [Lender(s)]/[Security Trustee] pursuant to Clause 9.1 (*Proposed Substitution*) or Clause 9.2 (*Objection to Substitute*), as the case may be, as the transferee of the Emitter's rights and obligations under the Contract;

"Working Hours" means 09:00 to 17:00 on a Business Day.

1.2 Interpretation

(A) Unless a contrary indication appears, any reference in this Deed to:

- (i) the **"ICC Contract Counterparty"**, [the **"Facility Agent"**],[the **"Security Trustee"**], the **"Emitter"**, [any **"Lender"**,][any **"Finance Party"**] or any **"Appointed Representative"** shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
- (ii) an agreement includes a deed and instrument;
- (iii) an agreement is a reference to it as amended, supplemented, restated, novated or replaced from time to time;
- (iv) a provision of law is a reference to that provision as amended, extended or re-enacted and includes all laws and official requirements made under or deriving validity from it;
- (v) any **"obligation"** of any person under this Deed or any other agreement or document shall be construed as a reference to an obligation expressed to be assumed by or imposed on it under this Deed or, as the case may be, that other agreement or document (and **"due"**, **"owing"** and **"payable"** shall be similarly construed);
- (vi) a **"Clause"**, **"paragraph"** or **"Appendix"** is a reference to a clause or paragraph of, or an appendix to, this Deed;
- (vii) a **"person"** includes any individual, firm, company, corporation, unincorporated organisation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) or any other entity;
- (viii) time is a reference to time in London, England; and
- (ix) words in the singular shall be interpreted as including the plural, and *vice versa*.

(B) The words **"include"** and **"including"** shall be construed without limitation to the generality of the preceding words.

(C) Headings are for ease of reference only.

2. **CONSENT TO SECURITY AND PAYMENT INSTRUCTIONS**

2.1 **Consent to Security**

- (A) The Emitter hereby gives notice to the ICC Contract Counterparty that, under or pursuant to the Security Documents, the Emitter has assigned or charged by way of security to the [Lender(s)]/[Security Trustee] its rights, title and interest in and to the Contract.
- (B) The ICC Contract Counterparty acknowledges receipt of notice of, and consents to, the grant of the security interests referred to in paragraph (A) above.
- (C) The ICC Contract Counterparty acknowledges that neither the [Lender(s)]/[Security Trustee] nor any Finance Party shall have any obligations or liabilities to the ICC Contract Counterparty (whether in place of the Emitter or otherwise) in respect of the Contract as a result of any security interest created under the Security Documents except to the extent that the [Lender(s)]/[Security Trustee] or such Finance Party incur[(s)] such obligations or liabilities pursuant to Clause 6 (*Step-In*), Clause 7 (*Step-In Period*), Clause 8 (*Step-Out*) or Clause 9 (*Novation*).

2.2 **No other Security Interests**

The ICC Contract Counterparty confirms that, as at the date of this Deed, it has not received notice of any other security interest granted over the Emitter's rights, title and interest in and to the Contract. The ICC Contract Counterparty agrees to notify the [Lender(s)]/[Security Trustee] as soon as reasonably practicable if it receives any such notice.

2.3 **Payment of Monies**

- (A) Each of the Emitter and the [Lender(s)]/[Security Trustee] irrevocably authorises and instructs the ICC Contract Counterparty, and the ICC Contract Counterparty agrees, to pay the full amount of each sum which it is obliged at any time to pay to the Emitter under or in respect of the Contract (whether before or after termination of the Contract) to the Emitter's Proceeds Account or [, following the occurrence of an Event of Default and at any time thereafter,] to such other account in the United Kingdom that the [Lender(s)]/[Security Trustee] may direct in writing to the ICC Contract Counterparty on not less than ten (10) Business Days' notice.
- (B) Each payment made in accordance with paragraph (A) above shall constitute a good discharge *pro tanto* of the obligation of the ICC Contract Counterparty to make the relevant payment to the Emitter.
- (C) The authority and instructions set out in paragraph (A) above shall not be revoked or varied by the Emitter without the prior written consent of the [Lender(s)]/[Security Trustee], copied to the ICC Contract Counterparty.

2.4 **Contract**

The Parties agree and acknowledge that the exercise of the rights of the [Lender(s)]/[Security Trustee] or the Appointed Representative, as the case may be (a) under the Contract during the Step-in Period; and (b) in connection with the security interests granted by the Emitter shall not amend, waive or suspend the provisions of the Contract and the rights of the ICC Contract Counterparty under the Contract, except as expressly set out under this Deed and any Step-In Undertaking.

2.5 **Statement as to Event of Default conclusive**

The ICC Contract Counterparty may treat any statement or notice from the [Lender(s)]/[Security Trustee or the lenders under the Facility Agreement] that an Event of Default has occurred as conclusive evidence of the occurrence of the Event of Default.

3. **NOTIFICATION BY ICC CONTRACT COUNTERPARTY**

3.1 **Notification of Default**

- (A) The ICC Contract Counterparty shall, as soon as reasonably practicable, send to the [Lender(s)]/[Security Trustee] a copy of any notice of default under the Contract served by the ICC Contract Counterparty on the Emitter.
- (B) The ICC Contract Counterparty shall have no obligation to notify the [Lender(s)]/[Security Trustee] of a default under the Contract where the ICC Contract Counterparty has not served a notice of default on the Emitter.

3.2 **Cure Right**

The [Lender(s)]/[Security Trustee] may, at any time outside a Step-In Period, take or procure the taking of any action on behalf of the Emitter in circumstances where:

- (A) the Emitter's failure to take such action would be a breach of the Contract or would be or could reasonably be expected to contribute towards the occurrence of a Contract Default; or
- (B) the Emitter has breached the Contract or a Contract Default has arisen,

and any such action will be deemed to have been taken by the Emitter for the purposes of the Contract and any breach or Contract Default will be cured, remedied or will not arise (as appropriate) if such breach or Contract Default would have been cured or remedied or would not have arisen (as appropriate) if the Emitter had taken such action itself.

3.3 **ICC Contract Counterparty Enforcement Action**

Subject to Clause 7.2 (*ICC Contract Counterparty Enforcement Action during a Step-In Period*), the ICC Contract Counterparty shall not take any ICC Contract Counterparty Enforcement Action without first giving an ICC Contract Counterparty Enforcement Notice to the [Lender(s)]/[Security Trustee].

3.4 **Non-Qualification Event**

- (A) The [Lender(s)]/[Security Trustee] shall by the fifteenth (15th) Business Day after delivery to the [Lender(s)]/[Security Trustee] of:
 - (i) any ICC Contract Counterparty Enforcement Notice; or
 - (ii) any notice from the ICC Contract Counterparty requesting that the [Lender(s)]/[Security Trustee] evidence that a Non-Qualification Event has not taken place,
- (a **"Qualification Demonstration Deadline"**), evidence to the satisfaction of the ICC Contract Counterparty (acting reasonably) that a Non-Qualification Event has not taken place.

- (B) For the purposes of Clause 3.4(A) unless otherwise agreed by the ICC Contract Counterparty, the evidence provided shall be:
- (i) a clear letter to the ICC Contract Counterparty from the external legal advisors to the [Lender(s)]/[Security Trustee] (the **"NQE Confirmation"**):
 - (a) setting out the corporate details of the [Lender(s)]/[Security Trustee] [and all persons for whom the Security Trustee acts in respect of the rights afforded to it under this Deed]¹⁸⁰;
 - (b) [confirming that the Security Trustee acts only, in respect of the rights afforded to it under this Deed, on behalf of the person(s) referred to in paragraphs (A) or (B) of the definition of Non-Qualification Event;]¹⁸¹
 - (c) [if the Security Trustee acts on behalf of any person who is a direct or indirect shareholder of the Emitter, explaining the basis upon which such person falls within (as applicable) paragraph (B) of the definition of Non-Qualification Event and]¹⁸² confirming whether [such person]¹⁸³/[the Lender]¹⁸⁴ is a Security Shareholder and, if so, when they became a Security Shareholder;
 - (d) confirming that the external legal advisors are not aware of a Non-Qualification Event having occurred; and
 - (e) explaining any changes to the Finance Parties, the Finance Documents, the Security Documents[,]/[and/or] the underlying financial arrangements relating or relevant to this Deed [and/or the persons on behalf of whom the Security Trustee is exercising the rights afforded by this Deed]¹⁸⁵ since the last letter provided under this Clause 3.4(B) (or, if no letter has been provided, the date of this Deed) and confirming that: (i) insofar as it is aware having made due and careful enquiry of the [Lender(s)]/[Security Trustee], the Finance Documents and Security Documents are up to date, true, complete and accurate; and (ii) the contents of the NQE Confirmation are a true and accurate reflection of the relevant contents of the Finance Documents and the Security Documents; and
 - (ii) a clear letter to the ICC Contract Counterparty from the [Lender(s)]/[Security Trustee] (**"Further NQE Confirmation"**) (signed by a duly authorised senior representative and/or in-house legal advisor) certifying that [insofar as it is aware having made all due and careful enquiry]¹⁸⁶:
 - (a) a Non-Qualification Event has not occurred;
 - (b) [if the Security Trustee acts on behalf of any person who is a direct or indirect shareholder of the Emitter, whether such person falls within (as

¹⁸⁰ Words in square brackets to be retained if there is a Security Trustee.

¹⁸¹ Words in square brackets to be retained if there is a Security Trustee.

¹⁸² Words in square brackets to be retained if there is a Security Trustee.

¹⁸³ Words in square brackets to be retained if there is a Security Trustee.

¹⁸⁴ Words in square brackets to be retained in the case of a Lender and no Security Trustee.

¹⁸⁵ Words in square brackets to be retained if there is a Security Trustee.

¹⁸⁶ Words in square brackets to be retained only if there is a Security Trustee.

applicable) paragraph (B) of the definition of Non-Qualification Event and]¹⁸⁷ whether [such person]¹⁸⁸/[the Lender]¹⁸⁹ is a Security Shareholder;

- (c) if a breach, non-compliance or failure has occurred which is or may be the subject of an ICC Contract Counterparty Enforcement Notice, such breach, non-compliance or failure did not occur more than twenty (20) Business Days after the [Lender(s)]/[Security Trustee] became a Security Shareholder who has enforced its Security Documents and Controls the Emitter. In this case, the [Lender(s)]/[Security Trustee] shall also provide an explanation of the situation and information or evidence to support its certification and explanation;
 - (d) the Finance Documents and Security Documents are up-to-date, true and complete; and constitute a true, complete, comprehensive and accurate record of the financial arrangements between the parties to them and are not misleading; and
 - (e) the [Lender(s)]/[Security Trustee] has provided all the Finance Documents and Security Documents to its external legal advisor for the purpose of such external legal advisor providing the NQE Confirmation; and
- (iii) if requested by the ICC Contract Counterparty, up-to-date, complete and accurate copies of the relevant Finance Documents and Security Documents.
- (C) Without limitation of Clause 3.4(B), the ICC Contract Counterparty may, within ten (10) Business Days of receipt of the NQE Confirmation, Further NQE Confirmation and/or the documentation referred to in Clause 3.4(B)(iii), request clarification of the contents of the NQE Confirmation, Further NQE Confirmation and/or documentation referred to in Clause 3.4(B)(iii). If the [Lender(s)]/[Security Trustee] receives such a request, it shall provide the requested clarification to the ICC Contract Counterparty within ten (10) Business Days of receipt of the request.
- (D) Where the [Lender(s)]/[Security Trustee]:
 - (i) fails to comply with Clauses 3.4(A), 3.4(B) and/or 3.4(C) and/or if the Finance Documents and/or Security Documents provided under Clause 3.4(C) do not support and/or are inconsistent with or contradict the NQE Confirmation or Further NQE Confirmation,

the ICC Contract Counterparty may give a notice to the [Lender(s)]/[Security Trustee] that this Deed shall terminate on the date specified in such notice (such date being no earlier than the date falling ten (10) Business Days after the date of such notice), and this Deed shall so terminate pursuant to Clause 10.1, unless, in the case of Clause 3.4(D)(i), in the intervening period the [Lender(s)]/[Security Trustee] has remedied (as applicable) its failure or non-compliance with Clause 3.4(A), 3.4(B) and/or Clause 3.4(C) and/or the failure of the Finance Documents and/or the Security Documents to support or be consistent with the NQE Confirmation, Further NQE Confirmation and/or any contradiction between the Finance Documents and/or Security Documents and the NQE Confirmation and/or Further NQE Confirmation.

¹⁸⁷ Words in square brackets to be retained if there is a Security Trustee.

¹⁸⁸ Words in square brackets to be retained if there is a Security Trustee.

¹⁸⁹ Words in square brackets to be retained if there is a Lender and no Security Trustee.

- (E) Where the [Lender(s)]/[Security Trustee] complies with Clause 3.4(A) by the Qualification Demonstration Deadline, the ICC Contract Counterparty shall provide confirmation of such compliance to the [Lender(s)]/[Security Trustee] as soon as reasonably practicable thereafter.

3.5 No Waiver

The provisions of this Clause 3 shall not constitute any waiver as against the Emitter of the grounds for the intended exercise of the ICC Contract Counterparty's rights to take any ICC Contract Counterparty Enforcement Action or any of its other rights regarding such ICC Contract Counterparty Enforcement Action and the giving of an ICC Contract Counterparty Enforcement Notice shall not release the Emitter from its obligations or liabilities under the Contract.

4. NOTIFICATION BY THE [LENDER(S)]/[SECURITY TRUSTEE]

4.1 Notice of Event of Default

The [Lender(s)]/[Security Trustee] shall, as soon as reasonably practicable, send to the ICC Contract Counterparty a copy of any notice of an Event of Default served by or on behalf of the [Lender(s)]/[Security Trustee] or the lenders under the Facility Agreement] on the Emitter.

4.2 Notices from the [Lender(s)]/[Security Trustee]

After receiving notification of an Event of Default from the [Lender(s)]/[Security Trustee], the ICC Contract Counterparty shall accept as validly given by the Emitter any notices or demands pursuant to and in accordance with the Contract given or made by the [Lender(s)]/[Security Trustee] or Appointed Representative, as the case may be, provided, in each case, such notice or demand would have been validly given had it been given by the Emitter itself. The Emitter consents to the giving of such notices or demands and acknowledges and agrees that the service of such notices or demands by the [Lender(s)]/[Security Trustee] or Appointed Representative, as the case may be, shall not affect the rights and remedies of the ICC Contract Counterparty under the Contract.

5. STEP-IN DECISION PERIOD

5.1 Suspension of Rights and Remedial Action

During a Step-In Decision Period the ICC Contract Counterparty shall not take any ICC Contract Counterparty Enforcement Action (other than any ICC Contract Counterparty Enforcement Action taken pursuant to Clause 5.3 (*Revival of Remedies*) in relation to any prior Step-In Decision Period).

5.2 Statement of Amounts Due

- (A) As soon as reasonably practicable, and in any event within thirty (30) days, after the commencement of a Step-In Decision Period, the ICC Contract Counterparty shall give the [Lender(s)]/[Security Trustee] a statement of any amounts owed by the Emitter to the ICC Contract Counterparty and any outstanding performance obligations of the Emitter under the Contract of which the ICC Contract Counterparty is aware as at the date of the ICC Contract Counterparty Enforcement Notice.
- (B) For the avoidance of doubt, a failure by the ICC Contract Counterparty to include in any such statement an amount owed or a performance obligation outstanding under the Contract shall not limit in any way the obligations or liabilities of the Emitter under the

Contract or the obligations or liabilities of the [Lender(s)]/[Security Trustee] or any Appointed Representative or Substitute under or pursuant to this Deed.

5.3 **Revival of Remedies**

If an ICC Contract Counterparty Enforcement Notice has been given and:

- (A) neither the Step-In Date nor the Novation Date has occurred before expiry of the Step-In Decision Period; or
- (B) the Step-In Date has occurred before expiry of the Step-In Decision Period but a Step-Out Date has subsequently occurred without there being a Novation Date,

the ICC Contract Counterparty shall be entitled to take ICC Contract Counterparty Enforcement Action without serving a further ICC Contract Counterparty Enforcement Notice if the default, event or circumstance in respect of which the ICC Contract Counterparty gave the ICC Contract Counterparty Enforcement Notice is subsisting or has not been remedied or cured (whether by the Emitter, [Lender(s)]/[Security Trustee] or any other person).

6. **STEP-IN**

6.1 **Step-In Notice**

- (A) At any time during a Step-In Decision Period, the [Lender(s)]/[Security Trustee] may give notice to the ICC Contract Counterparty (a "**Step-In Notice**") specifying:
 - (i) the Appointed Representative who will give a Step-In Undertaking to the ICC Contract Counterparty; and
 - (ii) the Proposed Step-In Date (which shall be a date no earlier than five (5) Business Days after the date of the Step-In Notice).
- (B) The Proposed Step-In Date must fall on or prior to the expiry of the Step-In Decision Period.
- (C) The [Lender(s)]/[Security Trustee] may revoke a Step-In Notice at any time prior to the Step-In Date by notice to the ICC Contract Counterparty, provided that the relevant Step-In Decision Period shall be deemed to have expired on delivery of such notice to the ICC Contract Counterparty.

6.2 **Step-In Undertaking**

Unless otherwise agreed by the ICC Contract Counterparty in its sole and absolute discretion, the [Lender(s)]/[Security Trustee] shall procure that the Appointed Representative gives a Step-In Undertaking to the ICC Contract Counterparty on the Proposed Step-In Date.

7. **STEP-IN PERIOD**

7.1 **Step-In Period**

During the Step-In Period:

- (A) the ICC Contract Counterparty shall deal only with the Appointed Representative and not the Emitter and the ICC Contract Counterparty shall have no liability to the Emitter for compliance with the instructions of the Appointed Representative or the [Lender(s)]/[Security Trustee] in priority to those of the Emitter;

- (B) the ICC Contract Counterparty agrees that payment by the Appointed Representative to the ICC Contract Counterparty of any sums due under the Contract, or performance by the Appointed Representative of any other of the Emitter's obligations under the Contract, shall comprise good discharge *pro tanto* of the Emitter's payment and other obligations under the Contract; and
- (C) the ICC Contract Counterparty shall owe its obligations under the Contract to the Emitter and the Appointed Representative jointly but performance by the ICC Contract Counterparty in favour of the Appointed Representative alone shall be a good discharge *pro tanto* of its obligations under the Contract.

7.2 ICC Contract Counterparty Enforcement Action during a Step-In Period

- (A) During the Step-In Period, the ICC Contract Counterparty shall be entitled to take ICC Contract Counterparty Enforcement Action if:
 - (i) the Appointed Representative breaches the terms of the Step-In Undertaking; and
 - (ii) such breach would, save for the terms of Clause 5.1 (*Suspension of Rights and Remedial Action*), entitle the ICC Contract Counterparty to take the relevant ICC Contract Counterparty Enforcement Action under or in connection with the Contract.
- (B) The provisions of Clause 3.3 (*ICC Contract Counterparty Enforcement Action*) shall not apply to any ICC Contract Counterparty Enforcement Action taken pursuant to this Clause 7.2.

8. STEP-OUT

- (A) The Appointed Representative or the [Lender(s)]/[Security Trustee] shall give the ICC Contract Counterparty at least ten (10) Business Days' prior written notice of the date on which the Appointed Representative will step out (a "**Step-Out Notice**").
- (B) Upon the Step-Out Date (howsoever occurring):
 - (i) all of the Appointed Representative's obligations and liabilities to the ICC Contract Counterparty under the Step-In Undertaking will be cancelled, other than those for which the Appointed Representative is liable under the Step-In Undertaking and which arose or accrued prior to the Step-Out Date;
 - (ii) all of the Appointed Representative's rights against the ICC Contract Counterparty under the Step-In Undertaking will be cancelled, other than those which arose or accrued prior to the Step-Out Date; and
 - (iii) without prejudice to sub-paragraph (i) above, the Appointed Representative will be released from all obligations and liabilities to the ICC Contract Counterparty under the Contract and this Deed.
- (C) The Emitter shall continue to be bound by the terms of the Contract notwithstanding the occurrence of the Step-Out Date and the ICC Contract Counterparty shall continue to be entitled to exercise and enforce all of its rights and remedies under the Contract as against the Emitter.

9. **NOVATION**

9.1 **Proposed Substitution**

(A) Subject to paragraph (B) below, at any time:

- (i) during a Step-In Decision Period or a Step-In Period; or
- (ii) during which an Event of Default is subsisting (and the ICC Contract Counterparty may treat as conclusive evidence that an Event of Default is subsisting any notice served by the [Lender(s)]/[Security Trustee] pursuant to this paragraph (A)),

the [Lender(s)]/[Security Trustee] may give a Novation Notice to the ICC Contract Counterparty.

(B) The [Lender(s)]/[Security Trustee] shall give the ICC Contract Counterparty not less than fifteen (15) Business Days' prior notice of the Proposed Novation Date.

9.2 **Objection to Substitute**

The ICC Contract Counterparty may only object to a proposed Substitute if the entry into a Novation Agreement or the Contract with the proposed Substitute would be unenforceable or illegal and the ICC Contract Counterparty gives notice of its objection to the [Lender(s)]/[Security Trustee] within ten (10) Business Days of receipt by the ICC Contract Counterparty of the Novation Notice, in which case the [Lender(s)]/[Security Trustee] may propose an alternative Substitute.

9.3 **Substitution Procedure**

(A) On the Proposed Novation Date or such later date (if any) as the identity of the Substitute is determined pursuant to Clause 9.2 (*Objection to Substitute*) the ICC Contract Counterparty and the Emitter shall each enter into a Novation Agreement with the Substitute.

(B) The novation of the Emitter's rights and obligations under the Contract pursuant to a Novation Agreement shall be effective from the date (the "**Novation Date**") which is the latest of the Proposed Novation Date, such later date (if any) as the identity of the Substitute is determined pursuant to Clause 9.2 (*Objection to Substitute*) and the date upon which each of the following conditions is satisfied, namely:

- (i) the ICC Contract Counterparty having received, in form and content satisfactory to the ICC Contract Counterparty (acting reasonably):
 - (a) a certified copy of the constitutional documents and certificate of incorporation and any certificate of incorporation on change of name of the Substitute; and
 - (b) evidence of compliance by the Substitute with "know your customer" or similar identification procedures or checks under all applicable laws and regulations pursuant to the transactions contemplated by the Novation Agreement, the Contract and the other ICC Documents;
- (ii) the ICC Contract Counterparty having received a legal opinion addressed to the ICC Contract Counterparty, in form and content reasonably satisfactory to the ICC Contract Counterparty, from the legal advisers to the Substitute confirming that the Substitute:

- (a) is duly formed and validly existing under the laws of the jurisdiction of its formation; and
 - (b) has the power to enter into and perform, and has taken all necessary action to authorise its entry into and performance of, the Contract and the other ICC Documents;
- (iii) the ICC Contract Counterparty having received written confirmation from the ICC Settlement Services Provider that:
 - (a) it has received the ICC Settlement Required Information which is required from the Substitute prior to the Proposed Novation Date or such later date, as the case may be; and
 - (b) the Substitute has in place the systems and processes which are necessary for the continued provision of the ICC Settlement Required Information;
- (iv) the Substitute being or having become the legal and beneficial owner of the Installation, subject only to any third party rights arising by reason of any security interest created or subsisting over or in respect of the Installation; and
- (v) any collateral required to be in place under Condition 39 (*Collateral Requirement*) or 40 (*Acceptable Collateral*) of the ICC Contract having been provided by or on behalf of the Substitute.
- (C) The ICC Contract Counterparty shall notify the [Lender(s)]/[Security Trustee] and the Substitute of the Novation Date as soon as reasonably practicable after it has occurred.
- (D) At the [Lender(s)]/[Security Trustee]'s cost, the ICC Contract Counterparty shall, subject to and in accordance with Condition 63.6 (*Permitted assignment by the Emitter*) of the Contract, enter into a direct agreement with the [Lender(s)]/[Security Trustee] (or such other representative of the lenders lending to such Substitute) and the Substitute on substantially the same terms as this Deed and effective from the Novation Date.

10. DURATION

10.1 This Deed shall commence on the date hereof and shall continue in full force and effect until the first to occur of:

- (A) the Finance Party Discharge Date;
- (B) expiry of the term of the Contract;
- (C) the termination or revocation of the Contract (in accordance with the Contract and this Deed); and
- (D) the NQE Termination Trigger Date,

in each case without prejudice to any accrued rights and obligations arising pursuant to this Deed existing at the date of termination.

10.2 The [Lender(s)]/[Security Trustee] shall promptly notify the ICC Contract Counterparty of the occurrence of the Finance Party Discharge Date.

10.3 The [Lender(s)]/[Security Trustee] shall promptly notify the ICC Contract Counterparty upon becoming aware of the occurrence of a Non-Qualification Event.

- 10.4 The [Lender(s)]/[Security Trustee] shall not exercise any rights under this Deed after becoming aware that a Non-Qualification Event is in operation as at the date when the right to exercise such rights would otherwise have arisen.

11. CHANGES TO PARTIES

11.1 Benefit of Deed

This Deed shall benefit and be binding on the Parties, their respective successors and any permitted assignee or transferee of all or some of a Party's rights and obligations under this Deed.

11.2 Assignment

Save as provided in Clause 9 (*Novation*) or Clause 11.3 (*Assignment by the [Lender(s)]/[Security Trustee]*), neither the [Lender(s)]/[Security Trustee] nor the Emitter may assign, transfer, novate or otherwise dispose of all or any of their respective rights, benefits or obligations under this Deed without the prior consent of the other Parties.

11.3 Assignment by the [Lender(s)]/[Security Trustee]

The [Lender(s)]/[Security Trustee] may assign or transfer [its]/[their respective] rights under this Deed to any successor [Lender(s)]/[Security Trustee] without the consent of the ICC Contract Counterparty.

11.4 Emitter's Acknowledgement

The Emitter joins in this Deed to acknowledge and consent to the arrangements set out in it and agrees not knowingly to do or omit to do anything that may prevent either of the other Parties from enforcing its rights under this Deed.

12. NOTICES

12.1 Communications in Writing

Any communications to be made pursuant to or in connection with this Deed shall be made in writing and shall be effective only if they are in writing and in English. Faxes are not permitted but email is permitted.

12.2 Addresses

The address (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Deed is as follows:

(A) ICC Contract Counterparty

Address: Low Carbon Contracts Company Ltd, 10 South Colonnade, London, England, E14 4PU

Attention: Head of Contract Management

(B) [Lender(s)]/[Security Trustee]

Address: [●]

Attention: [●]

(C) **Emitter**

Address: [●]

Attention: [●]

12.3 **Changes to Notice Details**

A Party may change its notice details on giving notice to the other Party in accordance with this Clause 12 (Notices). Such notice shall be effective only from:

- (A) the date specified in such notice (being not less than three (3) Business Days after the date of delivery or deemed delivery of such notice); or
- (B) (if no date is specified in such notice or the date specified is fewer than three (3) Business Days after the date of delivery or deemed delivery of such notice) the date falling three (3) Business Days after the notification has been received.

12.4 **Deemed Delivery**

Any notice given pursuant to or in connection with this Deed shall, in the absence of evidence of earlier receipt, be deemed to have been received:

- (A) if delivered by hand, on the Business Day of delivery or, if delivered on a day other than a Business Day, on the next Business Day after the date of delivery;
- (B) if sent by first class post within the United Kingdom, on the third (3rd) Business Day after the day of posting;
- (C) if sent from one country to another, on the fifth (5th) Business Day after the day of posting; or
- (D) if sent by email, when sent except that an email shall be deemed not to have been sent if the sender receives a delivery failure notification,

provided that any notice given outside Working Hours in the place to which it is addressed (or, in the case of a notice sent by email, the location of the person to whom it is addressed) shall be deemed not to have been given until the start of the next period of Working Hours in such place.

13. **MISCELLANEOUS**

13.1 **Limited Recourse**

Notwithstanding any other provision of this Deed:

- (A) the liability of the ICC Contract Counterparty pursuant to this Deed shall not exceed the aggregate of the amounts from time to time received and held by the ICC Contract Counterparty, and allocated to the ICC Contract, in accordance with the [Funding Mechanism]; and
- (B) the ICC Contract Counterparty shall not be in default pursuant to this Deed in not making any payment that is due and owing if and to the extent that it shall not have received the amounts and other funds referred to in paragraph (A) above which are necessary to make such payment, but if and to the extent that such payment is not made, the ICC Contract Counterparty shall continue to owe an amount equal to the amount of the payment due and owing but not paid and shall make such payment

promptly (and in any event within two (2) Business Days) after and to the extent of its receipt of such corresponding and allocated amounts and other funds.

13.2 **Amendments**

This Deed may not be amended, waived, supplemented or otherwise varied unless in writing and signed by or on behalf of all of the Parties.

13.3 **Remedies and Waivers**

No failure to exercise, nor any delay in exercising, any power, right or remedy under this Deed shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.

13.4 **Partial Invalidity**

If, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

13.5 **No Partnership**

Neither this Deed nor any other agreement or arrangement of which it forms part, nor the performance by the Parties of their respective obligations under any such agreement or arrangement, shall constitute a partnership between the Parties.

13.6 **Counterparts**

This Deed may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

13.7 **Third Party Beneficiaries**

(A) Save as provided in paragraph (B) below, this Deed is intended for the sole and exclusive benefit of the Parties.

(B) The Contracts (Rights of Third Parties) Act 1999 is expressly excluded save for:

- (i) any rights of any Appointed Representative on and after the issue of a Step-In Undertaking by that Appointed Representative; or
- (ii) any rights of any Substitute on and after any Novation Date under or in connection with Clause 9 (*Novation*),

in each case, as if they were a party to this Deed.

(C) This Deed may be varied in any way and at any time by the Parties without the consent of any third party.

13.8 **Entire Agreement**

This Deed and the Contract constitute the entire agreement between the Parties with respect to the subject matter of this Deed.

13.9 **Effect of this Deed**

- (A) The Parties acknowledge and agree that the express or implied terms and conditions of this Deed shall, in the event of any inconsistency or conflict with the express or implied terms and conditions of the Contract, prevail over the relevant terms and conditions of the Contract.
- (B) Nothing in this Deed or the arrangements contemplated hereby shall prejudice the rights of any of the Finance Parties under the Finance Documents or any Security Documents or shall be construed as obliging the [Lender(s)]/[Security Trustee] to exercise any of [its]/[their respective] rights under the Security Documents or under this Deed.

14. **GOVERNING LAW AND JURISDICTION**

- (A) This Deed and any non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with the laws of England.
- (B) The Parties irrevocably agree that the courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligations arising out of or in connection with this Deed).

IN WITNESS WHEREOF this Deed has been duly executed and delivered as a deed on the date stated at the beginning of this Deed.

ICC Contract Counterparty

EXECUTED and delivered as a **DEED** by)
LOW CARBON CONTRACTS COMPANY LTD)
acting by its director/duly appointed attorney) Director/Attorney

in the presence of

Signature:

Print Name:

Address:

Occupation:

[Lender]/[Security Trustee]

EXECUTED and delivered as a **DEED** by)
[●])
acting by its director/duly appointed attorney) Director/Attorney

in the presence of

Signature:

Print Name:

Address:

Occupation:

Emitter

EXECUTED and delivered as a **DEED** by)
[●])
acting by its director/duly appointed attorney) Director/Attorney

in the presence of

Signature:

Print Name:

Address:

Occupation:

Appendix 1
Form of Step-In Undertaking

[From the Appointed Representative]

From: [Appointed Representative]

To: Low Carbon Contracts Company Ltd

[insert address]

For the attention of: Head of Contract Management

Date: [insert date]

Dear Sir/Madam,

DIRECT AGREEMENT (the "Agreement")

1. In accordance with clause 6 (*Step-In*) of the Agreement, we undertake to you that we will:
 - (A) pay, or procure payment, to you within three (3) Business Days of the date hereof any sum that is due and payable to you by the Emitter but unpaid as of the date hereof;
 - (B) pay, or procure payment, to you any sum which becomes due and payable by the Emitter to you pursuant to the terms of the Contract during the Step-In Period which is not paid by the Emitter on the due date;
 - (C) perform or discharge, or procure the performance or discharge of, all outstanding performance obligations of the Emitter which have arisen or fallen due prior to the date hereof:
 - (i) within ten (10) Business Days of the date hereof; or
 - (ii) if the performance or discharge of any obligation is being disputed pursuant to the provisions of the Contract, within ten (10) Business Days of the same being agreed or finally determined; and
 - (D) perform or discharge, or procure the performance or discharge of, any performance obligations of the Emitter under the Contract which arise during the Step-In Period,

in each case in accordance with and subject to the terms of the Contract as if we were a party to the Contract in place of the Emitter.
2. This Step-In Undertaking may be terminated by the giving of a Step-Out Notice to you in accordance with clause 8 (*Step-Out*) of the Agreement and shall automatically terminate upon the Step-Out Date, save that we shall continue to be liable to you for outstanding obligations and liabilities arising prior to termination in accordance with clause 8(B) (*Step-Out*) of the Agreement.
3. All capitalised terms used in this letter shall have the meanings given them in the Agreement.
4. This Step-In Undertaking and any non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with the laws of England and the courts of England shall have exclusive jurisdiction to settle any dispute arising out of or in connection with it.

Yours faithfully,

.....

For and on behalf of

[Appointed Representative]

Appendix 2
Form of Novation Agreement

THIS NOVATION AGREEMENT is dated [●] and made as a deed BETWEEN:

- (1) **LOW CARBON CONTRACTS COMPANY LTD**, a company incorporated under the laws of [England and Wales] whose registered office is 10 South Colonnade, London, England, E14 4PU and whose company number is 08818711 (the **"ICC Contract Counterparty"**);
- (2) **[insert name and details of the emitter]**, a company incorporated under the laws of [England and Wales] whose registered office is [●] and whose company number is [●] (the **"Emitter"**); and
- (3) **[insert name and details of the substitute]**, a company incorporated under the laws of [England and Wales] whose registered office is [●] and whose company number is [●] (the **"Substitute"**)

(together referred to as the **"Parties"**).

BACKGROUND

- (A) The Emitter, the ICC Contract Counterparty and the [Lender(s)]/[Security Trustee] have entered into an agreement (the **"Direct Agreement"**) dated [●] pursuant to which the [Lender(s)]/[Security Trustee] [has]/[have] the right to require the rights and obligations of the Emitter under the Contract to be novated to a Substitute.
- (B) The Substitute has been identified as the Substitute for the purposes of clause 9 (*Novation*) of the Direct Agreement.
- (C) This is the Novation Agreement referred to in clause 9.3 (*Substitution Procedure*) of the Direct Agreement.

IT IS AGREED as follows:

1. Definitions and Interpretation

Unless a contrary indication appears, words and expressions defined, or defined by reference, in the Direct Agreement have the same meanings in this Agreement.

2. ICC Contract Counterparty Release and Discharge

With effect from the Novation Date, the ICC Contract Counterparty releases and discharges the Emitter from all liabilities, duties and obligations of every description, whether deriving from contract, common law, statute or otherwise, whether present or future, actual or contingent, ascertained or disputed, owing to the ICC Contract Counterparty and arising out of or in respect of the Contract, save for the Emitter's obligations under Condition 56 (*Confidentiality*) of the Contract.

3. Emitter Release and Discharge

With effect from the Novation Date, the Emitter releases and discharges the ICC Contract Counterparty from all liabilities, duties and obligations of every description, whether deriving from contract, common law, statute or otherwise, whether present or future, actual or contingent, ascertained or disputed, owing to the Emitter and arising out of or in respect of the Contract.

4. **Substitute Assumption of Liabilities**

The Substitute undertakes to assume all the liabilities, duties and obligations of the Emitter of every description contained in the Contract, whether deriving from contract, common law, statute or otherwise, whether present or future, actual or contingent, ascertained or unascertained or disputed, and agrees to perform all the duties and to discharge all the liabilities and obligations of the Emitter under the Contract and to be bound by their terms and conditions in every way as if the Substitute were named in the Contract as a party in place of the Emitter from the date of the Contract.

5. **ICC Contract Counterparty Agreement to Perform**

The ICC Contract Counterparty agrees to perform all its duties and to discharge all its obligations under the Contract and to be bound by all the terms and conditions of the Contract in every way as if the Substitute were named in the Contract as a party in place of the Emitter from the date of the Contract.

6. **Replacement of Emitter by Substitute**

As from the Novation Date, reference to the Emitter (by whatsoever name known) in the Contract shall be deleted and replaced by reference to the Substitute.

7. **Outstanding ICC Contract Counterparty Claims**

The ICC Contract Counterparty shall not take any ICC Contract Counterparty Enforcement Action by reason of any event notified in an ICC Contract Counterparty Enforcement Notice or any act or omission by the [Lender(s)]/[Security Trustee], any Appointed Representative and/or the Emitter occurring prior to the Novation Date provided that the foregoing shall be without prejudice to the ICC Contract Counterparty's remedies (including without limitation the right to take ICC Contract Counterparty Enforcement Action) in respect of:

- (A) outstanding amounts properly due and payable to the ICC Contract Counterparty on the Novation Date and which remain unpaid on the expiry of three (3) Business Days' notice from the ICC Contract Counterparty to the Substitute that such amounts are due and payable; and
- (B) to the extent not covered by paragraph (A) above, any breach of a Step-In Undertaking or the Contract by an Appointed Representative, the Emitter or the [Lender(s)]/[Security Trustee] occurring prior to the Novation Date which has not been remedied upon the expiry of ten (10) Business Days' notice from the ICC Contract Counterparty to the Substitute that such breach has not been remedied.

8. **Continuance of the Contract**

It is hereby agreed and declared that the Contract shall continue in full force and effect and that, as from the Novation Date, the terms and conditions of the Contract have only changed to the extent set out in this Agreement.

9. **Further Assurance**

The Parties shall perform such further acts and execute and deliver such further documents as may be required by law or reasonably requested by each other to implement the purposes of and to perfect this Agreement.

10. **Contract (Rights of Third Parties) Act 1999**

This Agreement does not create any rights under the Contract (Rights of Third Parties) Act 1999 enforceable by any person who is not a party to it.

11. **Variations**

No variation of this Agreement shall be effective unless it is in writing and is signed by or on behalf of each of the parties to this Agreement.

12. **Notices**

Any notices to be served on the Substitute pursuant to the Contract shall be served in accordance with Condition 64 (*Notices*) of the Contract and to:

[insert Substitute contact details]

13. **Counterparts**

This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be an original but all the counterparts together shall constitute one and the same instrument.

14. **Governing Law and Jurisdiction**

This Agreement and any non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with the laws of England and the Parties hereby submit to the exclusive jurisdiction of the courts of England.

IN WITNESS WHEREOF this Agreement has been executed and delivered as a deed on the date first stated above¹⁹⁰.

¹⁹⁰ Note to draft: execution blocks to be amended as appropriate

ICC Contract Counterparty

EXECUTED and delivered as a **DEED** by)
LOW CARBON CONTRACTS COMPANY LTD)
acting by its director/duly appointed attorney) Director/Attorney

in the presence of

Signature:

Print Name:

Address:

Occupation:

Emitter

EXECUTED and delivered as a **DEED** by)
[●])
acting by its director/duly appointed attorney) Director/Attorney

in the presence of

Signature:

Print Name:

Address:

Occupation:

Substitute

EXECUTED and delivered as a **DEED** by)
[●])
acting by its director/duly appointed attorney) Director/Attorney

in the presence of

Signature:

Print Name:

Address:

Occupation:

Annex 6
Carbon Market Reference Price Review

1. DEFINITIONS: ANNEX 6

1.1 In this Annex 6 (*Carbon Market Reference Price Review*):

"10-TD Sample Period" means a period of ten (10) consecutive CMRP Trading Days;

"10-TD UKA Trade Number Percentage" means, in respect of a price source, the number of UKA Futures December Contracts in respect of UK Allowances conducted on or reported by such price source in a 10-TD Sample Period expressed as a percentage of the total number of UKA Futures December Contracts in respect of UK Allowances conducted on or reported by all of the Calculation CMRP Sources during such 10-TD Sample Period and, where such price source conducts or reports UKA Futures December Contracts less frequently than every CMRP Trading Day, the number of UKA Futures December Contracts attributable to each CMRP Trading Day shall be the number of UKA Futures December Contracts conducted or reported on each CMRP Source Live Day allocated equally to each CMRP Trading Day from and including each CMRP Source Live Day to and excluding the next occurring CMRP Source Live Day;

"10-TD UKA Volume Percentage" means, in respect of a price source, the number of UK Allowances traded pursuant to UKA Futures December Contracts conducted on or reported by such price source in a 10-TD Sample Period expressed as a percentage of the number of UK Allowances traded pursuant to UKA Futures December Contracts conducted on or reported by all of the Calculation CMRP Sources during such 10-TD Sample Period and, where such price source conducts or reports UKA Futures December Contracts less frequently than every CMRP Trading Day, the number of UK Allowances traded pursuant to UKA Futures December Contracts attributable to each CMRP Trading Day shall be the number of UK Allowances traded pursuant to UKA Futures December Contracts conducted or reported on each CMRP Source Live Day allocated equally to each CMRP Trading Day from and including each CMRP Source Live Day to and excluding the next occurring CMRP Source Live Day;

"Calculation CMRP Source" means a price source which is determined pursuant to a CMRP Principles Review to have met the CMRP Quality Criteria;

"Carbon Market Reference Price" has the meaning given to that term in Condition 6.10 (*Reference Price Calculation*);

"CMRP Dispute" means a Dispute in relation to the outcome of a CMRP Principles Review;

"CMRP Dispute Emitter" has the meaning given to that term in paragraph 2.1 (*Procedure for raising a Dispute*) of Part A (*CMRP Review Procedures*);

"CMRP Dispute Notice" has the meaning given to that term in paragraph 2.1 (*Procedure for raising a Dispute*) of Part A (*CMRP Review Procedures*);*

"CMRP Dispute Threshold Criterion" has the meaning given to that term in paragraph 2.10 (*CMRP Dispute Threshold Criterion*) of Part A (*CMRP Review Procedures*);

"CMRP Dispute Validity Notice" has the meaning given to that term in paragraph 2.3 (*CMRP Dispute Threshold Criterion*) of Part A (*CMRP Review Procedures*);

"CMRP Expert Appointment Threshold" has the meaning given to that term in paragraph 2.7 (*CMRP Expert Appointment Threshold*) of Part A (*CMRP Review Procedures*);

"CMRP Inclusion Criteria" in respect of a price source, means that:

- (A) the 10-TD UKA Trade Number Percentage in respect of such price source in each 10-TD Sample Period during the CMRP Review Calculation Period is at least five per cent. (5%);
- (B) the 10-TD UKA Volume Percentage in respect of such price source in each 10-TD Sample Period during the CMRP Review Calculation Period is at least five per cent. (5%);
- (C) such price source has at all times during the CMRP Review Calculation Period, no fewer than ten (10) market participants which, it is evidenced to the ICC Contract Counterparty:
 - (i) are each party to one (1) or more UKA Futures December Contract and for each of such market participants at least one reported trade of a UKA Futures December Contract is used to derive the UKA Futures December Contract Trading Price; and
 - (ii) comply with one (1) or more of the following criteria:***
 - (a) for price sources that are based on brokered trades, the market participants are listed in a maintained list of counterparties which have been approved by one (1) or more brokers to trade the products relevant to such price sources;
 - (b) for price sources that are based on a commodity exchange, the market participants have established arrangements with that exchange for the provision of initial and variation margins;
 - (c) for price sources where trades are enacted through a software platform, the market participants have established links with the platform;
 - (d) for price sources that provide pricing information on a subscription basis, the market participants have a subscription to that price source; or (where none of the above can be evidenced);
 - (e) the market participants have incurred a material cost to trade using the price source; and
- (D) such price source reports prices of UKA Futures December Contracts at least once per Settlement Unit during the CMRP Review Calculation Period,

and **"CMRP Inclusion Criterion"** shall be construed accordingly;

"CMRP Mechanism Amendment" has the meaning given to that term in paragraph 1.6 (*Purpose of Carbon Price Principles Review*) of Part A (*CMRP Review Procedures*);

"CMRP Principles" has the meaning given to that term in paragraph 1 (*CMRP Principles*) of Part B (*CMRP Principles*);

"CMRP Principles Prioritisation" means the prioritisation of the CMRP Principles provided for in paragraph 2 (*Prioritisation of CMRP Principles*) of Part B (*CMRP Principles*);

"CMRP Principles Request Criterion" has the meaning given to that term in paragraph 1.3 (*Requirement to undertake CMRP Principles Reviews*) of Part A (*CMRP Review Procedures*);

"CMRP Principles Request Notice" has the meaning given to that term in paragraph 1.2 (*Requirement to undertake CMRP Principles Reviews*) of Part A (*CMRP Review Procedures*);

"CMRP Principles Request Validity Notice" has the meaning given to that term in paragraph 1.5 (*Validity of CMRP Principles Request Notices*) of Part A (*CMRP Review Procedures*);

"CMRP Principles Review" means a review conducted by the ICC Contract Counterparty pursuant to, and within the parameters specified in, paragraph 1 (*CMRP Principles Review*) of Part A (*CMRP Review Procedures*);

"CMRP Principles Review Implementation Date" has the meaning given to that term in paragraph 1.12(B) (*Notification of outcome of CMRP Principles Review*) of Part A (*CMRP Review Procedures*);

"CMRP Principles Review Notice" has the meaning given to that term in paragraph 1.8 (*Notification of CMRP Principles Review*) of Part A (*CMRP Review Procedures*);

"CMRP Principles Review Outcome Notice" has the meaning given to that term in paragraph 1.12 (*Notification of outcome of CMRP Principles Review*) of Part A (*CMRP Review Procedures*);

"CMRP Principles Review Proposals" has the meaning given to that term in paragraph 1.12(A) (*Notification of outcome of CMRP Principles Review*) of Part A (*CMRP Review Procedures*);

"CMRP Principles Review Response Deadline" has the meaning given to that term in paragraph 1.8(B) (*Notification of CMRP Principles Review*) of Part A (*CMRP Review Procedures*);

"CMRP Principles Review Response Notice" has the meaning given to that term in paragraph 1.9 (*Notification of CMRP Principles Review*) of Part A (*CMRP Review Procedures*);

"CMRP Principles Review Trigger" has the meaning given to that term in paragraph 1.1 (*Requirement to undertake CMRP Principles Reviews*) of Part A (*CMRP Review Procedures*);

"CMRP Quality Criteria" in respect of a price source, means the ICC Contract Counterparty having determined that, as at the CMRP Principles Review Response Deadline:

- (A) the underlying data used to compile or prepare such price source:
 - (i) is subject to reasonable procedures to ensure its accuracy and completeness;
 - (ii) is subject to reasonable procedures to ensure its retention by the administrator for a period of at least two (2) years such that it is capable of audit; and
 - (iii) consists only of verifiable transaction data and does not include data which is the product of a subjective judgement;
- (B) the methodology used by the administrator to prepare and compile such price source:
 - (i) is appropriately documented;
 - (ii) is not subject to subjective judgement; and
 - (iii) may only be changed in accordance with documented change control procedures which provide adequate protection against conflicts of interest which exist or are reasonably likely to arise in connection with such methodology; and

- (C) the administrator of such price source and the submitters to such price source have effective organisational and administrative arrangements in place to identify and manage conflicts of interest and to protect commercial confidentiality,

and **"CMRP Quality Criterion"** shall be construed accordingly;

"CMRP Review Calculation Period" means in respect of each CMRP Principles Review, the twelve (12) Month period ending on (and including) the day immediately prior to the CMRP Principles Review Response Deadline;

"CMRP Source Live Day" means, in respect of a price source, a day where UKA Futures December Contracts are conducted or reported;

"CMRP Sources" means the UKA Futures Indices to be used in calculation of the Carbon Market Reference Price, being the Initial CMRP Index or such other replacement or supplementary UKA Futures Indices which are required to be so used as a result of the operation of the provisions of Part A (*CMRP Review Procedures*), and **"CMRP Source"** shall be construed accordingly;

"CMRP Trading Day" means any day on which trading on the market from which the CMRP Sources are derived ordinarily takes place;

"ICE Futures Europe Index" means the UKA Futures Index reported by ICE Futures Europe;

"Initial CMRP Index" means the ICE Futures Europe Index;

"Proposed CMRP Expert" has the meaning given to that term in paragraph 2.3(A) (*Validity of CMRP Dispute Notices*) of Part A (*CMRP Review Procedures*);

"UK Allowance" means an allowance created under the UK Emissions Trading Scheme;

"UK Emissions Trading Registry" means the registry established pursuant to the UK Emissions Trading Scheme;

"UK Emissions Trading Scheme" means the emissions trading scheme in the UK established pursuant to The Greenhouse Gas Emissions Trading Scheme Order 2020;

"UKA Futures December Contract" means a December contract with the soonest contract delivery date relating to the transfer of a fixed number of UK Allowances for the relevant year (in which the Carbon Market Reference Price is calculated) between two or more accounts established under the UK Emissions Trading Registry;

"UKA Futures December Contract Trading Price" means the Exchange Delivery Settlement Price (EDSP) (*expressed in £/ tCO₂e*) for a UKA Futures December Contract as reflected in a UKA Futures Index or UKA Futures Indices (as the context requires);

"UKA Futures December Contract Trading Volume" means the quantity of UK Allowances (*expressed in tCO₂*) traded for delivery in a Settlement Unit via the auction occurring on the previous CMRP Trading Day (or, in respect of the last Settlement Unit of any day which is also the first (1st) Settlement Unit of a CMRP Trading Day, occurring on such CMRP Trading Day) and conducted by the operator of the relevant CMRP Source; and

"UKA Futures Index" means an index of UKA Futures December Contract Trading Prices or another source of UKA Futures December Contract Trading Prices and **"UKA Futures Indices"** shall be construed accordingly.

Part A
CMRP Review Procedures

1. CMRP PRINCIPLES REVIEW

Requirement to undertake CMRP Principles Reviews

1.1 The ICC Contract Counterparty:

- (A) shall conduct a CMRP Principles Review if:
 - (i) the requirement for the CMRP Sources to publish a UKA Futures December Contract Trading Price is materially amended, repealed or replaced;
 - (ii) the replacement or repeal of the UK Emissions Trading Scheme has been proposed or effected by the relevant Competent Authority;
 - (iii) the number of UK Allowances traded pursuant to UKA Futures December Contracts reflected in the CMRP Sources is nil in any 10-TD Sample Period;
 - (iv) the CMRP Sources cease to be available to the ICC Contract Counterparty on commercially reasonable terms; or
 - (v) the CMRP Principles Request Criterion is met; and
- (B) may conduct a CMRP Principles Review if it determines that the Carbon Market Reference Price does not reflect the market price for the trading of UK Allowances,

(each, a **"CMRP Principles Review Trigger"**).

1.2 If the Emitter considers that the calculation of the Carbon Market Reference Price does not comply with all of the CMRP Principles, the Emitter may give a notice to the ICC Contract Counterparty requesting the ICC Contract Counterparty to undertake a CMRP Principles Review (a **"CMRP Principles Request Notice"**). A CMRP Principles Request Notice:

- (A) shall specify which of the CMRP Principles the Emitter believes the calculation of the Carbon Market Reference Price does not comply with;
- (B) may include proposals from the Emitter with respect to the manner in which the non-compliance with the CMRP Principles should be addressed (including any proposals regarding CMRP Mechanism Amendments which the Emitter considers should be effected); and
- (C) shall include Supporting Information, in reasonable detail, which the Emitter considers to be relevant to and supportive of the matters in paragraphs (A) and (B).

1.3 For the purposes of paragraph 1.1(A)(v), the **"CMRP Principles Request Criterion"** is that thirty per cent. (30%) or more of ICC Emitters (which are subject to the Reference Price), by mass quantity or number, have given the ICC Contract Counterparty a CMRP Principles Request Notice in any period of ten (10) consecutive Business Days. For the purposes of determining whether the CMRP Principles Request Criterion is met, the ICC Contract Counterparty shall calculate:

- (A) the number of ICC Emitters which have given a CMRP Principles Request Notice as a percentage of the total number of ICC Emitters; and

- (B) the mass quantity attributable to CCUS Programme ICC Contracts to which ICC Emitters (which are subject to the Reference Price) which have given a CMRP Principles Request Notice are party as a percentage of the total mass quantity attributable to CCUS Programme ICC Contracts (and, for this purpose, **"mass quantity"** shall be calculated by the ICC Contract Counterparty using the Metered CO₂ Output to T&S Estimate in each relevant CCUS Programme ICC Contract).

Validity of CMRP Principles Request Notices

- 1.4 The Emitter acknowledges and agrees that all CMRP Principles Request Notices shall be invalid and of no effect if the CMRP Principles Request Criterion is not met.
- 1.5 The ICC Contract Counterparty shall notify the Emitter no later than ten (10) Business Days after the CMRP Principles Request Criterion has been met (a **"CMRP Principles Request Validity Notice"**).

Purpose of Reference Price Principles Review

- 1.6 If the ICC Contract Counterparty is required or elects to undertake a CMRP Principles Review pursuant to paragraph 1.1, then the purpose of such CMRP Principles Review shall be to assess the extent to which:
- (A) the calculation of the Carbon Market Reference Price in accordance with Condition 6.9 (*Reference Price calculation*) is compliant with the CMRP Principles and, if the calculation of the Carbon Market Reference Price in accordance with Condition 6.9 (*Reference Price calculation*) is not compliant with the CMRP Principles, the changes to Condition 6.9 (*Reference Price calculation*) which the ICC Contract Counterparty considers to be necessary to ensure compliance with all of the CMRP Principles; and
- (B) any of the following would ensure compliance with all of the CMRP Principles:
- (i) an amendment or supplement to, or replacement or removal of, the CMRP Sources;
 - (ii) the application of any weighting (whether by volume or number of trades) with respect to any price sources used in the calculation of the Carbon Market Reference Price; or
 - (iii) a change to the day-ahead methodology for calculating the Carbon Market Reference Price,
- including any consequential changes to Condition 6.10 (*Reference Price calculation*) and this Annex 6 (*Carbon Market Reference Price Review*) which are necessary to give effect to any of the foregoing,
- (each such change, or any combination of such changes, a **"CMRP Mechanism Amendment"**).
- 1.7 If the ICC Contract Counterparty considers that it is not possible to effect any CMRP Mechanism Amendment in a manner which will be compliant with all of the CMRP Principles, the ICC Contract Counterparty shall assess which CMRP Mechanism Amendment should be effected in order to comply with the greatest number of CMRP Principles in accordance with the CMRP Principles Prioritisation.

Notification of CMRP Principles Review

- 1.8 If the ICC Contract Counterparty is required or elects to undertake a CMRP Principles Review pursuant to paragraph 1.1, the ICC Contract Counterparty shall give a notice to the Emitter (a **"CMRP Principles Review Notice"**) and, if the ICC Contract Counterparty has been required to undertake a CMRP Principles Review pursuant to paragraph 1.1(A)(iii), the ICC Contract Counterparty shall give the CMRP Principles Review Notice no later than five (5) Business Days after such CMRP Principles Review Trigger has occurred. A CMRP Principles Review Notice shall:
- (A) specify the CMRP Principles Review Trigger which has occurred; and
 - (B) specify a deadline by which the Emitter may provide a CMRP Principles Review Response Notice, such deadline to be no less than ten (10) Business Days after the date on which the CMRP Principles Review Notice is received by the Emitter (the **"CMRP Principles Review Response Deadline"**).
- 1.9 The Emitter may, as soon as reasonably practicable and not later than the CMRP Principles Review Response Deadline, give a notice to the ICC Contract Counterparty (the **"CMRP Principles Review Response Notice"**). A CMRP Principles Review Response Notice:
- (A) shall include all of the Supporting Information which the Emitter wishes the ICC Contract Counterparty to take account of in undertaking the CMRP Principles Review; and
 - (B) may include proposals from the Emitter with respect to the manner in which the MRP Principles Review Trigger should be addressed (including any proposals regarding CMRP Mechanism Amendments which the Emitter considers should be effected).
- 1.10 The ICC Contract Counterparty may disregard any CMRP Principles Review Response Notice received by the ICC Contract Counterparty after the CMRP Principles Review Response Deadline.

CMRP Sources during CMRP Principles Review

- 1.11 From the date on which the CMRP Principles Review Notice is given, the CMRP Sources prior to the commencement of the relevant CMRP Principles Review shall remain unamended pending the outcome of a CMRP Principles Review.

Notification of outcome of CMRP Principles Review

- 1.12 The ICC Contract Counterparty shall give a notice to the Emitter of the outcome of a CMRP Principles Review (a **"CMRP Principles Review Outcome Notice"**) as soon as reasonably practicable following the conclusion of a CMRP Principles Review. A CMRP Principles Review Outcome Notice shall:
- (A) set out the outcome of the CMRP Principles Review (including the details of any CMRP Mechanism Amendments which the ICC Contract Counterparty proposes to effect) (the **"CMRP Principles Review Proposals"**) and, if paragraph 1.7 applies:
 - (i) a summary of the reasons for the ICC Contract Counterparty having determined that it is not possible to effect any CMRP Mechanism Amendment in a manner which complies with all of the CMRP Principles; and
 - (ii) the CMRP Principles which the ICC Contract Counterparty considers will be complied with by virtue of the CMRP Mechanism Amendments being effected; and

- (B) specify the date from which any CMRP Mechanism Amendments are to take effect, such date being:
- (i) no earlier than three (3) Months after the date on which the CMRP Principles Review Outcome Notice is given (or such other earlier date as may be agreed by the Parties); and
 - (ii) in the case of CMRP Mechanism Amendments relating to a CMRP Principles Review Trigger pursuant to paragraph 1.1(A)(ii), not before such replacement or repeal of the UK Emissions Trading Scheme occurs,

(the "**CMRP Principles Review Implementation Date**").

CMRP Principles Review: Disputes

- 1.13 Paragraph 2 (*CMRP Reviews: Dispute Process*) shall apply to any Dispute relating to this paragraph 1 (*CMRP Principles Reviews*).
- 1.14 Subject to paragraph 2.9, the CMRP Mechanism Amendments set out in the CMRP Principles Review Outcome Notice shall take effect on the CMRP Principles Review Implementation Date.

2. CMRP REVIEWS: DISPUTE PROCESS

Procedure for raising a Dispute

- 2.1 The Emitter may, no later than twenty (20) Business Days after receipt of a CMRP Principles Review Outcome Notice, give a notice to the ICC Contract Counterparty that it wishes to raise a Dispute in relation to the outcome of such CMRP Principles Review (a "**CMRP Dispute Notice**" and any such Emitter, a "**CMRP Dispute Emitter**"). Each CMRP Dispute Notice shall comply with the requirements of a Dispute Notice as specified in Conditions 41.3(A) to 41.3(H) (*Outline of Dispute Resolution Procedure*) (inclusive).

Validity of CMRP Dispute Notices

- 2.2 The Emitter acknowledges and agrees that all CMRP Dispute Notices shall be invalid and of no effect if the CMRP Dispute Threshold Criterion in respect of the relevant CMRP Dispute is not met.
- 2.3 The ICC Contract Counterparty shall notify the Emitter no later than twenty (20) Business Days after the CMRP Dispute Threshold Criterion has been met (irrespective of whether or not the Emitter is a CMRP Dispute Emitter) (a "**CMRP Dispute Validity Notice**"). A CMRP Dispute Validity Notice shall:
- (A) include a proposal as to the identity, and terms of reference, of an Expert to determine the CMRP Dispute (the "**Proposed CMRP Expert**") and details of the relevant expertise that the ICC Contract Counterparty considers qualifies the Proposed CMRP Expert to determine such CMRP Dispute (being a person fulfilling the requirements of Condition 43.2 (*Expert Determination Procedure*) and having no conflict of interest which prevents the Proposed CMRP Expert from determining the CMRP Dispute);
 - (B) comply with the requirements of an Expert Determination Notice as specified in Condition 43.1 (*Expert Determination Procedure*); and
 - (C) comply with the requirements of a Consolidation Request as specified in Condition 45.2 (*Consolidation of Connected Disputes*).

Permitted bases of Dispute: CMRP Principles Review

2.4 For the purposes of paragraph 2.1, the Emitter acknowledges and agrees that it may only raise a Dispute with respect to the outcome of any CMRP Principles Review if:

- (A) the ICC Contract Counterparty has acted unreasonably in failing to pay due regard to the Supporting Information which the Emitter requested the ICC Contract Counterparty to take account of in undertaking the CMRP Principles Review (as set out in its CMRP Principles Review Response Notice);
- (B) the ICC Contract Counterparty has proposed to effect a CMRP Mechanism Amendment which was stated in the CMRP Principles Review Outcome Notice to be compliant with all of the CMRP Principles and the Emitter considers that such CMRP Mechanism Amendment contravenes one (1) or more of the CMRP Principles; or
- (C) the ICC Contract Counterparty has proposed to effect a CMRP Mechanism Amendment on the basis contemplated by paragraph 1.7 and the Emitter considers that either:
 - (i) one (1) or more of the proposed CMRP Mechanism Amendments contravenes one (1) of the CMRP Principles which the ICC Contract Counterparty considers would be complied with by virtue of such CMRP Mechanism Amendment being effected; or
 - (ii) an alternative CMRP Mechanism Amendment complies with a greater number of CMRP Principles (in accordance with the CMRP Principles Prioritisation) than the CMRP Mechanism Amendments contained within the CMRP Principles Review Proposals,

and any CMRP Dispute Notice which is based upon grounds other than those specified in this paragraph 2.4 shall be invalid and of no effect.

Resolution of valid CMRP Disputes

2.5 If:

- (A) the CMRP Dispute Threshold Criterion is met in respect of any CMRP Dispute; and
- (B) the relevant CMRP Dispute complies with paragraph 2.4,

then such CMRP Dispute shall be finally resolved in accordance with paragraph 2.6.

2.6 If paragraph 2.5 applies to any CMRP Dispute:

- (A) Condition 42 (*Resolution by Senior Representatives*) shall not apply to such CMRP Dispute;
- (B) no agreement between the Emitter and the ICC Contract Counterparty to settle the relevant CMRP Dispute shall be valid and binding unless such resolution is agreed with all ICC Emitters;
- (C) the Arbitration Procedure shall not apply to such CMRP Dispute;
- (D) the Emitter agrees not to raise any objection to the consolidation of such CMRP Dispute in accordance with Condition 45 (*Consolidation of Connected Disputes*);
- (E) the Expert Determination Procedure shall apply to such CMRP Dispute on the basis that:

- (i) (if the CMRP Expert Appointment Threshold is met) the ICC Contract Counterparty shall be deemed to have satisfied the requirements of, and to have given an Expert Determination Notice pursuant to, Condition 43.1 (*Expert Determination Procedure*) and the Parties will be deemed to have agreed to both the identity and the terms of reference of the Proposed CMRP Expert;
- (ii) (if the CMRP Expert Appointment Threshold is not met):
 - (a) the ICC Contract Counterparty may, within ten (10) Business Days, either:
 - (1) make an alternative proposal as to the identity of an Expert to determine the CMRP Dispute, in which case paragraphs 2.3(A) and 2.6(E)(i), and this paragraph 2.6(E)(ii)(a)(1), shall apply to such proposed Expert as if that Expert were a Proposed CMRP Expert; or
 - (2) request the LCIA to nominate an Expert for the purposes of determining the CMRP Dispute in accordance with Condition 43.4 (*Expert Determination Procedure*); and
 - (b) the terms of reference of the Proposed CMRP Expert (or any Expert nominated by the LCIA pursuant to paragraph 2.6(E)(ii)(a)(2)) shall be determined by the ICC Contract Counterparty in its sole and absolute discretion (having regard to any submissions made to it by any ICC Emitter), and shall be binding on the Parties, provided that such terms of reference are sufficiently broad to enable the Expert to determine the CMRP Dispute;
- (iii) if the ICC Contract Counterparty and the ICC Emitters fail to agree on the terms of appointment of the Expert within ten (10) Business Days of the identity of the Expert having been agreed (or deemed to have been agreed) pursuant to paragraph 2.6(E)(i) or having been nominated by the LCIA pursuant to paragraph 2.6(E)(ii)(a)(2), such terms shall be determined by the ICC Contract Counterparty in its sole and absolute discretion (having regard to any submissions made to it by any ICC Emitter), and shall be binding on the Parties, provided that the terms of appointment comply with the requirements of paragraph 2.6(E)(iii) and Conditions 43.5(B) and 43.5(C) (*Expert Determination Procedure*);
- (iv) Condition 43.5 (*Expert Determination Procedure*) shall be deemed to have been modified such that the Parties shall use reasonable endeavours to procure that the terms of appointment of the Expert prohibit the Expert from disclosing any Supporting Information disclosed or delivered by:
 - (a) the Emitter to the Expert in consequence of, or in respect of, their appointment as the Expert to any other ICC Emitter or the ICC Contract Counterparty; or
 - (b) the ICC Contract Counterparty in consequence of, or in respect of, their appointment as the Expert to any ICC Emitter (including the Emitter);
- (v) the Expert will be instructed, in establishing or modifying the procedure for the determination of the CMRP Dispute, to afford the Emitter an opportunity to make submissions in respect of the CMRP Dispute irrespective of whether or not the Emitter is a CMRP Dispute Emitter;

- (vi) if the circumstances described in Condition 43.8 (*Expert Determination Procedure*) arise, paragraphs 2.3(A), 2.6(E)(i) and 2.6(E)(ii) shall apply, with the necessary modifications, to the appointment of a replacement Expert;
 - (vii) for the purposes of Condition 43.12 (*Expert Determination Procedure*), the Expert shall be: (i) required to include in their determination provision for the allocation of their fees and the costs and expenses of the ICC Contract Counterparty among each of the CMRP Dispute Emitters in such manner as the Expert, in their absolute discretion, determines is fair and equitable if the Expert makes a determination against the CMRP Dispute Emitters; and (ii) permitted to allocate their fees and the costs and expenses of the ICC Contract Counterparty in such manner as the Expert determines is fair and equitable if the Expert makes a determination in favour of the CMRP Dispute Emitters; and
 - (viii) the Expert shall, notwithstanding any other provision of the Expert Determination Procedure, be instructed to reach a determination which is to be applied to all CCUS Programme ICC Contracts;
- (F) the Emitter acknowledges and agrees that the determination of the Expert in any CMRP Dispute shall be applied to all CCUS Programme ICC Contracts, irrespective of whether the Emitter was a party to the CMRP Dispute giving rise to that determination;
 - (G) if the CMRP Dispute falls within paragraph 2.4(A), 2.4(B) or 2.4(C)(i), the Expert shall be instructed to determine whether the CMRP Mechanism Amendments contravene the CMRP Principles (or such of the CMRP Principles as were specified by the ICC Contract Counterparty as being complied with by virtue of the proposed implementation of the CMRP Mechanism Amendments) and, if the Expert finds in favour of the Emitter, to include within their determination: (i) a CMRP Mechanism Amendment which will comply with all of the CMRP Principles; or (ii) (if the Expert considers that it is not possible to effect any CMRP Mechanism Amendment in a manner which will be compliant with all of the CMRP Principles) the CMRP Mechanism Amendment which will comply with the greatest number of CMRP Principles in accordance with the CMRP Principles Prioritisation;
 - (H) if the CMRP Dispute falls within paragraph 2.4(C)(ii), the Expert shall be instructed to determine whether the CMRP Mechanism Amendments proposed by the Emitter would result in compliance with a greater number of CMRP Principles (in accordance with the CMRP Principles Prioritisation) than the CMRP Mechanism Amendments contained within the CMRP Principles Review Proposals and, if the Expert finds in favour of the Emitter, to stipulate the CMRP Mechanism Amendments which will comply with the greatest number of CMRP Principles in accordance with the CMRP Principles Prioritisation; and
 - (I) notwithstanding paragraphs (F) and (G), the Expert shall not be permitted to include within their determination any alternative CMRP Mechanism Amendments to those contained within the CMRP Principles Review Proposals unless such proposals contravene one (1) or more principles and the Expert has determined that there is a CMRP Mechanism Amendment which will comply with a greater number of CMRP Principles (in accordance with the CMRP Principles Prioritisation) than the CMRP Principles Review Proposals and, as such, the Expert's role shall not extend to an assessment of whether the CMRP Principles Review Proposals represent an optimal solution in the context of the parameters contemplated by the CMRP Principles.

CMRP Expert Appointment Threshold

- 2.7 For the purposes of paragraphs 2.6(E)(i) and 2.6(E)(ii), the **"CMRP Expert Appointment Threshold"** is that thirty per cent. (30%) or more of ICC Emitters, by mass quantity or number, have consented, or not objected in writing, to both the identity and the terms of reference of the Proposed CMRP Expert. For the purposes of determining whether the CMRP Expert Appointment Threshold is met, the ICC Contract Counterparty shall calculate:
- (A) the number of ICC Emitters which have consented or have been deemed to have consented to the Proposed CMRP Expert as a percentage of the total number of ICC Emitters; and
 - (B) the mass quantity attributable to CCUS Programme ICC Contracts to which ICC Emitters which have consented or have been deemed to have consented to the Proposed CMRP Expert are party as a percentage of the total mass quantity attributable to CCUS Programme ICC Contracts (and, for this purpose, **"mass quantity"** shall be calculated by the ICC Contract Counterparty using the Metered CO₂ Output to T&S Estimate in each relevant CCUS Programme ICC Contract).

Provisions applying pending resolution of a CMRP Dispute

- 2.8 If there is a valid CMRP Dispute requiring resolution in accordance with the provisions of paragraphs 2.5 to 2.7 then, pending resolution of such CMRP Dispute, paragraph 2.9 shall apply.
- 2.9 If there is a valid CMRP Dispute relating to a CMRP Principles Review:
- (A) the relevant CMRP Principles Review Outcome Notice shall be deemed to be valid and effective and the CMRP Principles Review Proposals shall apply with effect from the CMRP Principles Review Implementation Date; and
 - (B) if the Expert finds in favour of the Emitter, the CMRP Mechanism Amendments provided for in the determination of such Expert shall be implemented on a date falling no earlier than three (3) Months after the date on which the Expert has made their determination.

CMRP Dispute Threshold Criterion

- 2.10 For the purposes of this paragraph 2 (*CMRP Reviews: Dispute Process*), the **"CMRP Dispute Threshold Criterion"** is that thirty per cent. (30%) or more of ICC Emitters, by mass quantity or number, have given the ICC Contract Counterparty a CMRP Dispute Notice in respect of any given CMRP Dispute prior to the date specified in paragraph 2.1. For the purposes of determining whether the CMRP Dispute Threshold Criterion is met, the ICC Contract Counterparty shall calculate:
- (A) the number of ICC Emitters which have given a CMRP Dispute Notice as a percentage of the total number of ICC Emitters; and
 - (B) the mass quantity attributable to CCUS Programme ICC Contracts to which ICC Emitters which have given a CMRP Dispute Notice are party as a percentage of the total mass quantity attributable to CCUS Programme ICC Contracts (and, for this purpose, **"mass quantity"** shall be calculated by the ICC Contract Counterparty using the Metered CO₂ Output to T&S Estimate in each relevant CCUS Programme ICC Contract).

Part B
CMRP Principles

1. CMRP PRINCIPLES

The following are the "CMRP Principles":

- (A) Save in respect of a CMRP Principles Review Trigger pursuant to paragraph 1.1(A)(ii) of Part A where the replacement or repeal of the UK Emissions Trading Scheme has led to the introduction of separate emissions trading, carbon pricing or similar schemes within the separate constituent countries of the United Kingdom, the calculation of the Carbon Market Reference Price shall:
 - (i) be the same for all CCUS Programme ICC Contracts; and
 - (ii) reflect the market price for the sale of UK Allowances.
- (B) The Carbon Market Reference Price shall be calculated using prices in respect of contracts as far in advance of the sale of UK Allowances pursuant to such contracts as possible, provided that, for this purpose, the Carbon Market Reference Price calculation shall not include prices that are quoted further in advance than UKA Futures December Contracts.
- (C) The Carbon Market Reference Price shall be calculated so as to reflect a reasonable volume of trades from a reasonable number and diverse range of market participants.
- (D) The Carbon Market Reference Price shall be calculated so as not to unduly dampen, dilute, disrupt or otherwise distort components of the UK Emissions Trading Scheme that would, absent the existence of CCUS Programme ICC Contracts, contribute to the operational behaviour of participants in, and the pricing of UK Allowances under, such scheme.
- (E) The Carbon Market Reference Price shall be calculated using price sources which are available to the ICC Contract Counterparty on commercially reasonable terms.
- (F) The Carbon Market Reference Price calculation is to utilise price sources which satisfy the CMRP Quality Criteria.
- (G) The Carbon Market Reference Price calculation is to utilise price sources which satisfy the CMRP Inclusion Criteria.

2. PRIORITISATION OF CMRP PRINCIPLES

If:

- (A) the application of any combination of the CMRP Principles gives rise to a conflict; or
- (B) it is not possible for a methodology for calculating the Carbon Market Reference Price to satisfy all of the CMRP Principles,

the CMRP Principle first appearing in the list in paragraph 1 (*CMRP Principles*) shall be afforded priority.

Annex 7
Form of Supply Chain Report¹⁹¹

¹⁹¹ Note to Reader: Form of Supply Chain Report to be appended to the Conditions.

Annex 8
Pro forma notices

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Directors' Certificate

[Company Name]
[Unique reference number: [●]]

(the "Company")

ICC CONTRACT – DIRECTORS' CERTIFICATE

To: **[●]** (the "ICC Contract Counterparty")

I, **[●]**, being a Director of the Company, refer to the ICC Contract entered into by the Company and the ICC Contract Counterparty on **[●]** in relation to the **[●]** Project (the "**Agreement**"). Terms defined in or incorporated into the Agreement have the same meanings when used in this Certificate.

I hereby certify that, having made all due and careful enquiries, the information contained in and enclosed with **[to insert description of matters being certified]** is in all material respects true, complete and accurate and not misleading, in each case by reference to the facts and circumstances then existing.

This Certificate is governed by and construed in accordance with English law.

.....
Name: **[●]**
Position: Director
Dated: **[●]**

.....
Name: **[●]**
Position: Director
Dated: **[●]**

OR:

.....

Name: [●]

Position: Director

Dated: [●]

in the presence of:

.....

Witness's name: [●]

Occupation: [●]

Address: [●]

Dated: [●]

Extension Request Certificate

[Company Name]
[Unique reference number: [●]]

(the "Company")

ICC CONTRACT – EXTENSION REQUEST CERTIFICATE

To: [●] (the "ICC Contract Counterparty")

I, [●], being a Director of the Company, refer to the ICC Contract entered into by the Company and the ICC Contract Counterparty on [●] in relation to the [●] Project (the "**Agreement**"). Terms defined in or incorporated into the Agreement have the same meanings when used in this Certificate.

I hereby certify that the Installation remains connected to the T&S Network in accordance with the T&S Operator's compliance requirements [as set out in the T&S Connection Agreement]¹⁹².

I enclose **[(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)]** Supporting Information listed in Appendix 1 to this Certificate which I consider to be relevant to the content of this Certificate.

I hereby certify that, having made all due and careful enquiries, the information contained in and enclosed with this certificate is in all material respects true, complete and accurate and not misleading, in each case by reference to the facts and circumstances then existing.

This Certificate is governed by and construed in accordance with English law.

.....
Name: [●]
Position: Director
Dated: [●]

.....
Name: [●]
Position: Director
Dated: [●]

¹⁹² Note to Reader: To be kept under review as the T&S business model develops.

OR:

.....
Name: [●]
Position: Director
Dated: [●]
in the presence of:

.....
Witness' s name: [●]
Occupation: [●]
Address: [●]
Dated: [●]

.....
Name: [●]
Position: Director
Dated: [●]

OR:

.....
Name: [●]
Position: Director
Dated: [●]

in the presence of:

.....

Witness' s name: [●]

Occupation: [●]

Address: [●]

Dated: [●]

Extension Response Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – EXTENSION RESPONSE NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 2.3.
3. This is an Extension Response Notice.
4. We consider that:
 - (A) the Average Annual Carbon Market Reference Price has **[not]** exceeded the Average Annual Aggregate Opex and T&S Value [plus any revenue from the sale of negative emissions credits]¹⁹³ for the Contract Payment Term Year immediately preceding the relevant Extension Delivery Date;
 - (B) the Average Achieved CO₂ Capture Rate for the five (5) immediately preceding Contract Payment Term Years is **[not]** equal to or greater than the Extension Required CO₂ Capture Rate; and
 - (C) the Metered CO₂ Output to T&S for the five (5) immediately preceding Contract Payment Term Years is **[not]** equal to or greater than ninety per cent. (90%) of the Metered CO₂ Output to T&S Estimate.
5. ***[We therefore consider that the Extension Conditions have [not] been fulfilled.]/[We consider that we have not been provided with sufficient Supporting Information to determine whether the Extension Conditions have been fulfilled. We require the following Supporting Information: [●].]***

Yours faithfully,

For and on behalf of the
ICC Contract Counterparty

¹⁹³ Note to Reader: BEIS is considering how negative emissions credit revenue will be factored into these calculations.

Further Extension Response Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – FURTHER EXTENSION RESPONSE NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 2.4(C)(ii).
3. This is a Further Extension Response Notice.
4. ***[We consider that the Extension Conditions have [not] been fulfilled.]***

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

OCP Notice

To: [●] (the "**ICC Contract Counterparty**")
[Address]

From: [●] (the "**Emitter**")
[Unique reference number: [●]]

Dated: [●]

ICC CONTRACT – OCP NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the ICC Contract Counterparty and us as the Emitter in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 3.7(B).
3. This is an OCP Notice.
4. We consider that the following Operational Condition Precedent has been fulfilled: [●].
5. We enclose *[(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)]* Supporting Information listed in Appendix 1 to this notice which we consider to be relevant to evidence the fulfilment of the Operational Condition Precedent.
6. We enclose a Directors' Certificate certifying that the information contained in, and enclosed with, this notice is in all material respects true, complete and accurate and not misleading.

Yours faithfully,

.....
For and on behalf
of the **Emitter**

OCP Response Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – OCP RESPONSE NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 3.9(A) / 3.9(B).
3. This is an OCP Response Notice in relation to the OCP Notice dated [●] relating to paragraph [●] of the Agreement.
4. [We consider that you have [not] fulfilled the Operational Condition Precedent to which the OCP Notice relates.]/[We consider that we have not been provided with sufficient Supporting Information to determine whether you have fulfilled the Operational Condition Precedent to which the OCP Notice relates. We require the following OCP Supporting Information: [●].]

Yours faithfully,

.....
For and on behalf of
the **ICC Contract Counterparty**

Further OCP Response Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – FURTHER OCP RESPONSE NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 3.10(C)(ii).
3. This is a Further OCP Response Notice in relation to the OCP Notice dated [●] and the OCP Response Notice dated [●] relating to paragraph [●] of the Agreement.
4. Following our receipt of the OCP Supporting Information from you on [●], we consider that you have **[not]** fulfilled the Operational Condition Precedent.

Yours faithfully,

.....
For and on behalf of
the **ICC Contract Counterparty**

OCP Non-Compliance Notice

To: [●] (the "ICC Contract Counterparty")
[Address]

From: [●] (the "Emitter")
[Unique reference number: [●]]

Dated: [●]

ICC CONTRACT – OCP NON-COMPLIANCE NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the ICC Contract Counterparty and us as the Emitter in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 3.11.
3. This is an OCP Non-Compliance Notice.
4. The Affected OCP is: [●].
5. [The Affected OCP [[will not]/[is not reasonably likely to] be fulfilled by the Longstop Date as a result of [●].]/[, which we previously notified to you as fulfilled pursuant to Condition 3.7(B), is no longer fulfilled.]] The reasons for this are: [●].
6. We enclose *[(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)]* Supporting Information listed in Appendix 1 to this notice which we consider to be relevant to the content of this notice.
7. We [have taken]/[are proposing to take] the following remedial action: [●].
8. We enclose a Directors' Certificate certifying that the information contained in, and enclosed with, this notice is true, complete and accurate in all material respects and is not misleading.

Yours faithfully,

.....
For and on behalf of
the **Emitter**

Project Delay Notice

To: [●] (the "ICC Contract Counterparty")
[Address]

From: [●] (the "Emitter")
[Unique reference number: [●]]

Dated: [●]

ICC CONTRACT –PROJECT DELAY NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the ICC Contract Counterparty and us as the Emitter in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 3.15.
3. This is a Project Delay Notice.
4. [We consider there is likely to be a delay to the **[design, development, construction, completion, testing and/or commissioning of the Installation]**]. The reasons for this are: [●].
5. We [have taken]/[are proposing to take] the following remedial action: [●].
6. We **[enclose]/[set out] [(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)]** the following:
 - (a) a revised Project timetable; and
 - (b) the estimated additional costs to the Project arising as a result of the delay to the Project.
7. We enclose **[(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)]** Supporting Information listed in Appendix 1 to this notice which we consider to be relevant to evidence the delay of the **[design, development, construction, completion, testing and/or commissioning of the Installation]**.
8. We enclose a Directors' Certificate certifying that the information contained in, and enclosed with, this notice is true, complete and accurate in all material respects and is not misleading.

Yours faithfully,

.....
For and on behalf
of the **Emitter**

Reporting Obligations Audit Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – REPORTING OBLIGATIONS AUDIT NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 3.18.
3. This is a Reporting Obligations Audit Notice.
4. We [intend]/[nominate [●]] to exercise the Reporting Obligations Audit Right.
5. The date by which you must, in accordance with Condition 3.17, permit the exercise of the Reporting Obligations Audit Right is [●].

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

Start Date Notice

To: [●] (the "**ICC Contract Counterparty**")
[Address]

From: [●] (the "**Emitter**")
[Unique reference number: [●]]

Dated: [●]

ICC CONTRACT – START DATE NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the ICC Contract Counterparty and us as the Emitter (in relation to the [●] Project the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Conditions 3.22 and 3.23.
3. This is a Start Date Notice.
4. We propose that the Start Date shall be: [●].
5. We **[enclose]/[will deliver to you on the Start Date]** a Directors' Certificate certifying that the matters provided for in Condition 3.26(C) are, as at the date of this notice [and on the proposed Start Date specified in this notice], true, complete and accurate in all material respects and are not misleading.

Yours faithfully,

.....
For and on behalf
of the **Emitter**

TCDE Notice

To: [●] (the "**ICC Contract Counterparty**")
[Address]

From: [●] (the "**Emitter**")
[Unique reference number: [●]]

Dated: [●]

ICC CONTRACT – TCDE NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the ICC Contract Counterparty and us as the Emitter in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 3.30.
3. This is a TCDE Notice.
4. The following T&S Commissioning Delay Event has occurred: [●].
5. ***[We hereby request an extension of the Longstop Date, the Milestone Delivery Date and/or the Target Commissioning Window as a result of the T&S Commissioning Delay Event.]***
6. We enclose ***[(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)]*** Supporting Information listed in Appendix 1 to this notice which we consider to be relevant to evidence the T&S Commissioning Delay Event.
7. We enclose a Directors' Certificate certifying that the information contained in, and enclosed with, this notice is true, complete and accurate in all material respects and is not misleading.

Yours faithfully,

.....
For and on behalf of
the **Emitter**

TCDE Response Notice

To: [●] (the "**Emitter**")
[Unique reference number: [●]]

From: [●] (the "**ICC Contract Counterparty**")
[Address]

Dated: [●]

ICC CONTRACT – TCDE RESPONSE NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 3.32.
3. This is a TCDE Response Notice in relation to the TCDE Notice dated [●].
4. ***[We consider that a T&S Commissioning Delay Event as specified in the TCDE Notice has [not] occurred and is [not] continuing.]/[We consider that we have not been provided with sufficient Supporting Information to determine whether a T&S Commissioning Delay Event has occurred and is [not] continuing. We require the following Supporting Information: [●].]***

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

Further TCDE Response Notice

To: [●] (the "**Emitter**")
[Unique reference number: [●]]

From: [●] (the "**ICC Contract Counterparty**")
[Address]

Dated: [●]

ICC CONTRACT – FURTHER TCDE RESPONSE NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 3.33(C)(i).
3. This is a Further TCDE Response Notice in relation to the TCDE Notice dated [●] and the TCDE Response Notice dated [●].
4. Following our receipt of the TCDE Supporting Information from you on [●], we consider that a T&S Commissioning Delay Event has [**not**] occurred and is [**not**] continuing.

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

Milestone Requirement Notice

To: [●] (the "ICC Contract Counterparty")
[Address]

From: [●] (the "Emitter")
[Unique reference number: [●]]

Dated: [●]

ICC CONTRACT – MILESTONE REQUIREMENT NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the ICC Contract Counterparty and us as the Emitter in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 4.1.
3. This is a Milestone Requirement Notice.
4. *[We enclose invoices, payment receipts and other Supporting Information with respect to the Project [which are listed in Appendix 1 to this notice] which we consider to be relevant to evidence expenditure by us and our direct shareholders of ten per cent. (10%) or more of the Total Project Pre-Commissioning Costs, being £[●].]/(We enclose information as is listed as the Project Commitments and the following Supporting Information [which are listed in Appendix 1 to this notice] which we consider to be relevant to evidence compliance or fulfilment of the Project Commitments: [●].]*
5. We enclose a Directors' Certificate certifying that the information contained in, and enclosed with, this notice is true, complete and accurate in all material respects and is not misleading.

Yours faithfully,

.....
For and on behalf of
the **Emitter**

Milestone Assessment Response Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – MILESTONE ASSESSMENT RESPONSE NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 4.3.
3. This is a Milestone Assessment Response Notice in relation to the Milestone Requirement Notice dated [●].
4. ***[We consider that you have [not] complied with and fulfilled a Milestone Requirement [and the Milestone Satisfaction Date is [●]].]/[We consider that we have not been provided with sufficient Supporting Information to determine whether you have complied with and fulfilled a Milestone Requirement. We require the following Requested Milestone Supporting Information: [●].]***

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

Further Milestone Assessment Response Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – FURTHER MILESTONE ASSESSMENT RESPONSE NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 4.4(C)(ii).
3. This is a Further Milestone Assessment Response Notice in relation to the Milestone Requirement Notice dated [●] and the Milestone Assessment Response Notice dated [●].
4. Following our receipt of the Requested Milestone Supporting Information from you on [●], we consider that you have [not] complied with and fulfilled a Milestone Requirement [and the Milestone Satisfaction Date is [●]].

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

Milestone Delay Notice

To: [●] (the "ICC Contract Counterparty")
[Address]

From: [●] (the "Emitter")
[Unique reference number: [●]]

Dated: [●]

ICC CONTRACT – MILESTONE DELAY NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the ICC Contract Counterparty and us as the Emitter in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 4.8.
3. This is a Milestone Delay Notice.
4. We consider there is likely to be a delay to the fulfilment of the Milestone Requirement and the Milestone Requirement will not be met by the Milestone Delivery Date. The reasons for this are: [●].
5. We enclose *[(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)]* Supporting Information listed in Appendix 1 to this notice which we consider to be relevant to evidence the delay of the Milestone Requirement.
6. We enclose a Directors' Certificate certifying that the information contained in, and enclosed with, this notice is true, complete and accurate in all material respects and is not misleading.

Yours faithfully,

.....
For and on behalf of
the **Emitter**

Capture Outage Relief Notice

To: [●] (the "ICC Contract Counterparty")
[Address]

From: [●] (the "Emitter")
[Unique reference number: [●]]

Dated: [●]

ICC CONTRACT – CAPTURE OUTAGE RELIEF NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the ICC Contract Counterparty and us as the Emitter in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 6.3.
3. This is a Capture Outage Relief Notice.
4. We consider that a Capture Outage Relief Event has occurred, the relevant details of which are: [●].
5. The Capture Outage Relief Event has had the following impact on the **[Achieved CO₂ Capture Rate]/[Achieved CO₂ Storage Rate]/[Metered CO₂ Output to T&S]**.
6. We enclose **[(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)]** Supporting Information listed in Appendix 1 to this notice which we consider to be relevant to the foregoing.
7. We enclose **[(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)]** Supporting Information evidencing, in reasonable detail, the steps that we **[have taken]/[and]/[propose to take]** to comply with Condition 48.3 and the Reasonable and Prudent Standard.
8. We enclose a Directors' Certificate certifying that the information contained in, and enclosed with, this notice is true, complete and accurate in all material respects and is not misleading.

Yours faithfully,

.....
For and on behalf of
the **Emitter**

Capture Outage Relief Response Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – CAPTURE OUTAGE RELIEF RESPONSE NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 6.5.
3. This is a Capture Outage Relief Response Notice in relation to the Capture Outage Relief Notice dated [●].
4. ***[We consider that you have [not] provided sufficient evidence in relation to Capture Outage Relief Event as specified in the Capture Outage Relief Notice]/[We consider that we have not been provided with sufficient Supporting Information to determine whether a Capture Outage Relief Event has occurred. We require the following Capture Outage Relief Supporting Information: [●].]***

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

Further Outage Relief Response Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – FURTHER OUTAGE RELIEF RESPONSE NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 6.6(C)(ii).
3. This is a Further Outage Relief Response Notice in relation to the. Capture Outage Relief Notice dated [●] and the Capture Outage Relief Response Notice dated [●].
4. Following our receipt of the Capture Outage Relief Supporting Information from you on [●], **[We consider that you have [not] provided sufficient evidence in relation to the Capture Outage Relief Event as specified in the Capture Outage Relief Notice].**

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

Opex Costs Early Reopener Notice

To: [●] (the "**ICC Contract Counterparty**")
[Address]

From: [●] (the "**Emitter**")
[Unique reference number: [●]]

Dated: [●]

ICC CONTRACT – OPEX COSTS EARLY REOPENER NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the ICC Contract Counterparty and us as the Emitter in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 8.8.
3. This is an Opex Costs Early Reopener Notice.
4. We consider that the following Eligible Opex Costs should be adjusted: [●]
5. We estimate that the Opex Costs Early Reopener Adjustment that will apply with effect from the date of this notice is [●].
6. We enclose **[(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)]** Supporting Information listed in Appendix 1 to this notice which we consider to be relevant to the foregoing.
7. We enclose a Directors' Certificate certifying that the information contained in, and enclosed with, this notice is true, complete and accurate in all material respects and is not misleading.

Yours faithfully,

.....
For and on behalf of
the **Emitter**

Opex Costs Early Reopener Response Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – OPEX COSTS EARLY REOPENER RESPONSE NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 8.10.
3. This is an Opex Costs Early Reopener Response Notice.
4. ***[We agree with the Opex Costs Early Reopener Adjustment as specified in the Opex Costs Early Reopener Notice dated [●].]/[We consider that we have not been provided with sufficient Supporting Information to determine the Opex Costs Early Reopener Adjustment. We require the following Supporting Information: [●].]/[We do not agree with the Opex Costs Early Reopener Adjustment as specified in the Opex Costs Early Reopener Notice dated [●] for the following reasons: [●]. We require the following Supporting Information: [●].]***

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

Further Opex Costs Early Reopener Response Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – FURTHER OPEX COSTS EARLY REOPENER RESPONSE NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 8.11(C)(ii).
3. This is a Further Opex Costs Early Reopener Response Notice.
4. ***[We [do not] agree with the Opex Costs Early Reopener Adjustment as specified in the Opex Costs Early Reopener Notice dated [●]]***

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

Opex Costs Early Reopener Non-Compliance Notice

To: [●] (the "**Emitter**")
[Unique reference number: [●]]

From: [●] (the "**ICC Contract Counterparty**")
[Address]

Dated: [●]

ICC CONTRACT – OPEX COSTS EARLY REOPENER NON-COMPLIANCE NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the ICC Contract Counterparty and us as the Emitter in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 8.14.
3. This is an Opex Costs Early Reopener Non-Compliance Notice.
4. You have failed to provide an Opex Costs Early Reopener Notice in accordance with Condition 8.7 of the Agreement.
5. We hereby notify you that if you fail to provide an Opex Costs Early Reopener Notice by [●] we have the right to suspend any Payments from such date.

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

Billing Statement Dispute Notice

To: [●]

From: [●]

Dated: [●]

ICC CONTRACT – BILLING STATEMENT DISPUTE NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between [you]/[us] as the ICC Contract Counterparty and [●] as the Emitter in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 11.5.
3. This is a Billing Statement Dispute Notice. The Billing Statement[s] to which the Dispute relates [is]/[are] [●].
4. [Our]/[The Emitter' s] [name]/[unique identifier] is [●].
5. The [name]/[unique identifier] of the Installation is [●].
6. The Billing Statement items to which the Dispute relates are [●].
7. The amount in dispute is [●]. The apportionment of this amount in relation to the relevant Billing Statement items is [●].
8. ***[We consider that the following Billing Statement dispute should be [consolidated with]/[joined to] this dispute: [●].]***
9. We consider the correct position is [●]. Our reasons for this are [●].
10. We intend to rely on the following Supporting Information, copies of which are enclosed: [●].
11. We enclose the following additional Information which we consider relevant in relation to the dispute: [●].

Yours faithfully,

.....
For and on behalf of

[●]

Metering Breach Notice

To: [●] (the "**Emitter**")
[Unique reference number: [●]]

From: [●] (the "**ICC Contract Counterparty**")
[Address]

Dated: [●]

ICC CONTRACT – METERING BREACH NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 19.3.
3. This is a Metering Breach Notice.
4. **[We consider that you are in breach of the following Metering Obligation: [●].]**
5. We enclose **[(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)]** Supporting Information listed in Appendix 1 to this notice which we consider to be relevant to evidence the breach of Metering Obligation.

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

Metering Breach Response Notice

To: [●] (the "ICC Contract Counterparty")
[Address]

From: [●] (the "Emitter")
[Unique reference number: [●]]

Dated: [●]

ICC CONTRACT – METERING BREACH RESPONSE NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the ICC Contract Counterparty and us as the Emitter in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 19.4(A) / 19.4(B).
3. This is a Metering Breach Response Notice in relation to the Metering Breach Notice dated [●].
4. We **[do not]** accept that there has been a breach of the Metering Obligation as specified in the Metering Breach Notice.
5. [The date from which there has been a breach of the Metering Obligation is: [●].]
6. We enclose **[(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)]** Supporting Information listed in Appendix 1 to this notice which we consider to be relevant and supportive of the foregoing.

Yours faithfully,

.....
For and on behalf of
the **Emitter**

Emitter Metering Remediation Notice

To: [●] (the "ICC Contract Counterparty")
[Address]

From: [●] (the "Emitter")
[Unique reference number: [●]]

Dated: [●]

ICC CONTRACT – EMITTER METERING REMEDIATION NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the ICC Contract Counterparty and us as the Emitter in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 19.6(C).
3. This is an Emitter Metering Remediation Notice.
4. We successfully completed the implementation of the Metering Remediation Plan on [●].
5. We enclose the Supporting Information which we consider to be relevant and supportive of the foregoing.

Yours faithfully,

.....
For and on behalf of
the **Emitter**

Emitter Metering Remediation Notice Information Request

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – EMITTER METERING REMEDIATION NOTICE INFORMATION REQUEST

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 19.7.
3. This is an Emitter Metering Remediation Notice Information Request.
4. We require the following Supporting Information in relation to the Emitter Metering Remediation Notice dated [●].

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

Metering Schematic Obligation Notice

To: [●] (the "ICC Contract Counterparty")
[Address]

From: [●] (the "Emitter")
[Unique reference number: [●]]

Dated: [●]

ICC CONTRACT – METERING SCHEMATIC OBLIGATION NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 19.10(A).
3. This is a Metering Schematic Obligation Notice.
4. We have identified a Material Change to the Installation Metering Equipment: *[insert reasons for and details of the Material Change]*.
5. This Material Change occurred on *[insert date Material Change occurred]*.
6. *[We enclose an updated version of the relevant metering schematic diagram referred to in paragraph [●] of [●] of Annex 1 of the Conditions].*
7. We enclose a Directors' Certificate certifying that the information contained in, and enclosed with, this notice is true, complete and accurate in all material respects and is not misleading.

Yours faithfully,

.....
For and on behalf of
the **Emitter**

Metering Inspection Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – METERING INSPECTION NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 19.15.
3. This is a Metering Inspection Notice.
4. [We]/[●], nominated by us in accordance with Condition 19.14, intend to exercise the Metering Access Right.
5. The date by which you must, in accordance with Condition 19.16, permit the exercise of the Metering Access Right, is [●].

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

Capture Rate Breach Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – CAPTURE RATE BREACH NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 20.2.
3. This is a Capture Rate Breach Notice.
4. **[We consider that you have breached the Minimum CO₂ Capture Rate Obligation for [three (3) consecutive Billing Periods][three (3) non-consecutive Billing Periods within six (6) consecutive Billing Periods].]**
5. We enclose **[(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)]** Supporting Information, in reasonable detail, which we consider to be relevant to and supportive of our conclusions.
6. We hereby notify you that we may serve a Default Termination Notice in accordance with Condition 35.26 on [●].

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

Capture Rate Breach Response Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – CAPTURE RATE BREACH RESPONSE NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 20.3.
3. This is a Capture Rate Breach Response Notice.
4. ***[We intend to rectify the breach of the Minimum CO₂ Capture Rate Obligation by achieving the Minimum CO₂ Capture Rate for three (3) consecutive Billing Periods prior to the Capture Rate Breach Deadline]/[We consider that we will not be able to achieve a Capture Rate Breach Rectification prior to the Capture Rate Breach Deadline. We consider that we will be able to achieve a Capture Rate Breach Rectification by [●]]***

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

Capture Rate Breach Rectification Review Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – CAPTURE RATE BREACH RECTIFICATION REVIEW NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 20.6.
3. This is a Capture Rate Breach Rectification Review Notice.
4. We consider that draft Capture Rate Breach Rectification Plan submitted to us on [●] does **[not]** meet the Capture Rate Breach Rectification Plan Minimum Requirements.
5. **[We approve the draft Capture Rate Breach Rectification Plan submitted to us on [●].]/[We consider that we have not been provided with sufficient Supporting Information in relation to the draft Capture Rate Breach Rectification Plan, in order to determine whether or not to approve such plan. We require the following Supporting Information: [●].]/[We require the following amendments to be made to the draft Capture Rate Breach Rectification Plan: [●]]/[We do not approve the draft Capture Rate Breach Rectification Plan for the following reasons: [●].]**

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

Emitter Capture Rate Breach Remediation Notice

To: [●] (the "ICC Contract Counterparty")
[Address]

From: [●] (the "Emitter")
[Unique reference number: [●]]

Dated: [●]

ICC CONTRACT – EMITTER CAPTURE RATE BREACH REMEDIATION NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 20.8(B).
3. This is an Emitter Capture Rate Breach Remediation Notice.
4. We successfully completed the implementation of the Approved Capture Rate Breach Rectification Plan on [●].
5. We enclose [(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)] Supporting Information listed in Appendix 1 to this notice which we consider to be relevant to evidence that the breach of the Minimum CO₂ Capture Rate Obligation has been remedied.

Yours faithfully,

.....
For and on behalf of
the **Emitter**

ICC Contract Counterparty CO₂ Metering Data Breach Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – ICC CONTRACT COUNTERPARTY CO₂ METERING DATA BREACH NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 21.2.
3. This is an ICC Contract Counterparty CO₂ Metering Data Breach Notice.
4. [We consider that you are in breach of the following CO₂ Metering Data Obligation: [●].]
5. We enclose [(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)] Supporting Information listed in Appendix 1 to this notice which we consider to be relevant to evidence the breach of the CO₂ Metering Data Obligation.

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

Emitter CO₂ Metering Data Breach Notice

To: [●] (the "ICC Contract Counterparty")
[Address]

From: [●] (the "Emitter")
[Unique reference number: [●]]

Dated: [●]

ICC CONTRACT – EMITTER CO₂ METERING DATA BREACH NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the ICC Contract Counterparty and us as the Emitter in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 21.3.
3. This is an Emitter CO₂ Metering Data Breach Notice.
4. We consider ourselves to be in breach of the following CO₂ Metering Data Obligation [●].
5. We enclose Supporting Information which we consider to be relevant to evidence the breach of the CO₂ Metering Data Obligation.
6. We enclose a Directors' Certificate certifying that the information contained in, and enclosed with, this notice is true, complete and accurate in all material respects and is not misleading.

Yours faithfully,

.....
For and on behalf of
the **Emitter**

ICC Contract Counterparty Notification Obligation Breach Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – ICC CONTRACT COUNTERPARTY NOTIFICATION OBLIGATION BREACH NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 22.2.
3. This is an ICC Contract Counterparty Notification Obligation Breach Notice.
4. [We consider that you are in breach of the following Full Capture Outage Event Notification Obligation: [●].]
5. We enclose [(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)] Supporting Information listed in Appendix 1 which we consider to be relevant to evidence the breach of the Full Capture Outage Event Notification Obligation.

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

Emitter Notification Obligation Breach Notice

To: [●] (the "ICC Contract Counterparty")
[Address]

From: [●] (the "Emitter")
[Unique reference number: [●]]

Dated: [●]

ICC CONTRACT – EMITTER NOTIFICATION OBLIGATION BREACH NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the ICC Contract Counterparty and us as the Emitter in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 22.3.
3. This is an Emitter Notification Obligation Breach Notice.
4. [We consider that we are in breach of the following Full Capture Outage Event Notification Obligation: [●].]
5. We enclose *[(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)]* Supporting Information listed in Appendix 1 which we consider to be relevant to evidence the breach of Full Capture Outage Event Notification Obligation.

Yours faithfully,

.....
For and on behalf of
the **Emitter**

Full Capture Outage Event Inspection Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – FULL CAPTURE OUTAGE EVENT INSPECTION NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 22.9.
3. This is a Full Capture Outage Event Inspection Notice.
4. We [*intend*]/[*nominate* [●]] to exercise the Full Capture Outage Event Access Right.
5. The date by which you must, in accordance with Condition 22.9, permit the exercise of the Full Capture Outage Event Access Right, is [●].

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

Supply Chain Report Response Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – SUPPLY CHAIN REPORT RESPONSE NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 23.3.
3. This is a Supply Chain Report Response Notice [in relation to the Supply Chain Report dated [●]].
4. ***[We consider that the Supply Chain Report [does [not]] comply with the requirements of Annex 7 (Form of Supply Chain Report).]/[We consider that you have failed to submit a Supply Chain Report by the Supply Chain Report Deadline.]***

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

Carbon Intensity Report Response Notice

To: [●] (the "**Emitter**")
[Unique reference number: [●]]

From: [●] (the "**ICC Contract Counterparty**")
[Address]

Dated: [●]

ICC CONTRACT – CARBON INTENSITY REPORT RESPONSE NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 24.2.
3. This is a Carbon Intensity Report Response Notice
4. *[We agree with the Carbon Intensity Data as specified in the Carbon Intensity Report dated [●].]/[We consider that we have not been provided with sufficient Supporting Information to determine whether we agree with the Carbon Intensity Data and/or whether Excessive Carbon Creation has occurred. We require the following Carbon Intensity Report Supporting Information: [●].]/[We do not agree with the Carbon Intensity Data as specified in the Carbon Intensity Report dated [●] for the following reasons: [●].]*
5. *[We consider that Excessive Carbon Creation has occurred.]*

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

Further Carbon Intensity Report Response Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – FURTHER CARBON INTENSITY REPORT RESPONSE NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 24.4(B).
3. This is a Further Carbon Intensity Report Response Notice in relation to the Carbon Intensity Report Response Notice dated [●].
4. Following our receipt of the Carbon Intensity Report Supporting Information from you on [●], We **[do not]** agree with the Carbon Intensity Data as specified in the Carbon Intensity Report dated [●].
5. **[We consider that Excessive Carbon Creation has occurred.]**

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

Carbon Intensity Audit Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – CARBON INTENSITY AUDIT NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 3.18.
3. This is a Carbon Intensity Audit Notice.
4. We [intend]/[nominate [●]] to exercise the Carbon Intensity Audit Right.
5. The date by which you must, in accordance with Condition 24.5, permit the exercise of the Carbon Intensity Audit Right is [●].

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

Carbon Intensity Report Non-Compliance Notice

To: [●] (the "**Emitter**")
[Unique reference number: [●]]

From: [●] (the "**ICC Contract Counterparty**")
[Address]

Dated: [●]

ICC CONTRACT – CARBON INTENSITY REPORT NON-COMPLIANCE NOTICE

Dear Sir/Madam,

6. We refer to the agreement dated [●] between you as the ICC Contract Counterparty and us as the Emitter in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
7. We further refer you to Condition 24.12.
8. This is Carbon Intensity Report Non-Compliance Notice.
9. You have failed to provide Carbon Intensity Report in accordance with Condition 24.1 and 24.2 of the Agreement.
10. We hereby notify you that if you fail to provide Carbon Intensity Report by [●] we have the right to suspend any Payments from such date.

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

ICC Contract Counterparty QCiL Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – ICC CONTRACT COUNTERPARTY QCIL NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 26.1.
3. This is an ICC Contract Counterparty QCiL Notice.
4. We **[enclose]/[set out]** the following reasonable details of the Qualifying Change in Law which we consider **[has been implemented, occurred or become effective]/[is shortly to be implemented, occur or become effective]/[: [●]]**.
5. The **[QCIL Effective Date]/[Expected QCIL Effective Date]** is [●].
6. We consider that the Change in Law **[constitutes]/[will constitute]** a Qualifying Change in Law for the following reasons: [●]. We consider the Qualifying Change in Law to be **[a Discriminatory]/[a Specific]/[an Other]** Change in Law.
7. **[We consider that the Notified Change in Law will give rise to or result in QCiL Operating [Costs]/[Savings].]**
8. **[We consider that the Notified Change in Law will give rise to or result in QCiL Capital [Costs]/[Savings].]**
9. **[We consider that the Notified Change in Law will give rise to or result in an Adjusted Capture Period. Our ACP Estimate is [●].]**
10. **[We consider that the Notified Change in Law will give rise to or result in a QCiL Construction Event.]**
11. **[We consider that the Notified Change in Law will give rise to or result in a QCiL Operations Cessation Event.]**

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

Emitter QCiL Response Notice

To: [●] (the "ICC Contract Counterparty")
[Address]

From: [●] (the "Emitter")
[Unique reference number: [●]]

Dated: [●]

ICC CONTRACT – EMITTER QCIL RESPONSE NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the ICC Contract Counterparty and us as the Emitter in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 26.2.
3. This is an Emitter QCiL Response Notice in relation to the ICC Contract Counterparty QCiL Notice dated [●].
4. *[We consider that the Notified Change in Law [constitutes]/[will constitute] a Qualifying Change in Law.]/[We do not consider that the Notified Change in Law [constitutes]/[will constitute] a Qualifying Change in Law and enclose [(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)] Supporting Information, in reasonable detail, which we consider to be relevant to and supportive of that conclusion.]*
5. *[We agree with the [QCIL Effective Date]/[Expected QCIL Effective Date] specified in the ICC Contract Counterparty QCiL Notice.]/[We do not agree with the [QCIL Effective Date]/[Expected QCIL Effective Date] specified in the ICC Contract Counterparty QCiL Notice and we consider the [QCIL Effective Date]/[Expected QCIL Effective Date] to be [●].]*
6. *[We consider that the Notified Change in Law will give rise to or result in QCiL Operating [Costs]/[Savings]. Our good faith estimate of the QCiL Operating [Costs]/[Savings] is [●]. Our good faith estimates as to the profile of the [incurrence of]/[making or receipt of] such QCiL Operating [Costs]/[Savings] are [●]. We enclose [(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)] Supporting Information, in reasonable detail, which we consider to be relevant to and supportive of this conclusion and these estimates.]*
7. *[We consider that the Notified Change in Law will give rise to or result in QCiL Capital [Costs]/[Savings]. Our good faith estimate of the QCiL Capital [Costs]/ [Savings] is [●]. Our good faith estimates as to the profile of the [incurrence of]/[making or receipt of] such QCiL Capital [Costs]/[Savings] are [●]. We enclose [(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)] Supporting Information, in reasonable detail, which we consider to be relevant to and supportive of this conclusion and these estimates.]*
8. *[We consider that the Notified Change in Law will give rise to or result in an Adjusted Capture Period. Our ACP Estimate is [●]. We enclose [(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)]*

Supporting Information, in reasonable detail, which we consider to be relevant to and supportive of this conclusion and this estimate.]

9. ***[We consider that the Notified Change in Law will give rise to or result in a QCiL Construction Event. Our good faith estimates of the QCiL Construction Event Costs and QCiL Construction Event Savings are [●] and [●] respectively. We enclose [(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)] Supporting Information, in reasonable detail, which we consider to be relevant to and supportive of this conclusion and these estimates.]***
10. ***[We consider that the Notified Change in Law will give rise to or result in a QCiL Operations Cessation Event. Our good faith estimates of the QCiL Operations Cessation Event Costs and QCiL Operations Cessation Event Savings are [●] and [●] respectively. We enclose [(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)] Supporting Information, in reasonable detail, which we consider to be relevant to and supportive of this conclusion and these estimates.]***
11. We enclose ***[(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)]*** Supporting Information evidencing, in reasonable detail, the steps that we ***[have taken]/[and]/[propose to take]*** to comply with Condition 48.3 and the Reasonable and Prudent Standard.
12. We enclose a Directors' Certificate certifying the matters specified in Condition 26.4.

Yours faithfully,

.....
For and on behalf of
the **Emitter**

Emitter QCiL Response Notice Information Request

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – EMITTER QCIL RESPONSE NOTICE INFORMATION REQUEST

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 26.6.
3. This is an Emitter QCiL Response Notice Information Request.
4. We require the following Supporting Information in relation to the [***Emitter QCiL Response Notice dated [●]/[Revised Emitter QCiL Response Information received from you on [●]: [●]***].

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

Emitter QCiL Notice

To: [●] (the "ICC Contract Counterparty")
[Address]

From: [●] (the "Emitter")
[Unique reference number: [●]]

Dated: [●]

ICC CONTRACT – EMITTER QCIL NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the ICC Contract Counterparty and us as the Emitter in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 26.8.
3. This is an Emitter QCiL Notice.
4. We **[enclose]/[set out the following]** reasonable details of the Qualifying Change in Law which we consider **[has been implemented, occurred or become effective]/[is shortly to be implemented, occur or become effective]/[: [●]]**.
5. The **[QCIL Effective Date]/[Expected QCIL Effective Date]** is [●].
6. We consider that the Notified Change in Law **[constitutes]/[will constitute]** a Qualifying Change in Law for the following reasons: [●]. We consider the Qualifying Change in Law to be **[a Discriminatory]/[a Specific]/[an Other]** Change in Law. We enclose **[(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)]** Supporting Information, in reasonable detail, which we consider to be relevant to and supportive of that conclusion.
7. **[We consider that the Notified Change in Law will give rise to or result in QCiL Operating [Costs]/[Savings]. Our good faith estimate of the QCiL Operating [Costs]/[Savings] is [●]. Our good faith estimates as to the profile of the [incurrence of]/[making or receipt of] such QCiL Operating [Costs]/[Savings] are [●]. We enclose [(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)] Supporting Information, in reasonable detail, which we consider to be relevant to and supportive of this conclusion and these estimates.]**
8. **[We consider that the Notified Change in Law will give rise to or result in QCiL Capital [Costs]/[Savings]. Our good faith estimate of the QCiL Capital [Costs]/ [Savings] is [●]. Our good faith estimates as to the profile of the [incurrence of]/[making or receipt of] such QCiL Capital [Costs]/[Savings] are [●]. We enclose [(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)] Supporting Information, in reasonable detail, which we consider to be relevant to and supportive of this conclusion and these estimates.]**
9. **[We consider that the Notified Change in Law will give rise to or result in an Adjusted Capture Period. Our ACP Estimate is [●]. We enclose [(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)] Supporting Information, in reasonable detail, which we consider to be relevant to and supportive of this conclusion and this estimate.]**

10. ***[We consider that the Notified Change in Law will give rise to or result in a QCiL Construction Event. Our good faith estimates of the QCiL Construction Event Costs and QCiL Construction Event Savings are [●] and [●] respectively. We enclose [(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)] Supporting Information, in reasonable detail, which we consider to be relevant to and supportive of this conclusion and these estimates.]***
11. ***[We consider that the Notified Change in Law will give rise to or result in a QCiL Operations Cessation Event. Our good faith estimates of the QCiL Operations Cessation Event Costs and QCiL Operations Cessation Event Savings are [●] and [●] respectively. We enclose [(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)] Supporting Information, in reasonable detail, which we consider to be relevant to and supportive of this conclusion and these estimates.]***
12. We enclose ***[(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)]*** Supporting Information evidencing, in reasonable detail, the steps that we ***[have taken]/[and]/[propose to take]*** to comply with Condition 48.3 and the Reasonable and Prudent Standard.
13. We enclose a Directors' Certificate certifying the matters specified in Condition 26.9.

Yours faithfully,

.....
For and on behalf of
the **Emitter**

Emitter QCiL Notice Information Request

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – EMITTER QCIL NOTICE INFORMATION REQUEST

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 26.11.
3. This is an Emitter QCiL Notice Information Request.
4. We require the following Supporting Information in relation to the **[Emitter QCiL Notice dated [●]]/[Revised Emitter QCiL Information received from you on [●]]: [●]**.

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

ICC Contract Counterparty QCiL True-Up Notice

To: **[●]** (the "Emitter")
[Unique reference number: [●]]

From: **[●]** (the "ICC Contract Counterparty")
[Address]

Dated: **[●]**

ICC CONTRACT – ICC CONTRACT COUNTERPARTY QCIL TRUE-UP NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated **[●]** between you as the Emitter and us as the ICC Contract Counterparty in relation to the **[●]** Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 29.1.
3. This is an ICC Contract Counterparty QCiL True-Up Notice in relation to **[identify relevant Qualifying Change in Law]**.
4. We hereby require you to confirm the QCiL True-Up Information.

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

Emitter QCiL True-Up Response Notice

To: [●] (the "ICC Contract Counterparty")
[Address]

From: [●] (the "Emitter")
[Unique reference number: [●]]

Dated: [●]

ICC CONTRACT – EMITTER QCIL TRUE-UP RESPONSE NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the ICC Contract Counterparty and us as the Emitter in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 29.3.
3. This is an Emitter QCiL True-Up Response Notice in relation to the ICC Contract Counterparty QCiL True-Up Notice dated [●].
4. We enclose the QCiL True-Up Information.
5. We enclose *[(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)]* Supporting Information, in reasonable detail, which we consider to be relevant to and supportive of the information contained in or enclosed with this notice.
6. We enclose a Directors' Certificate certifying that the information contained in, and enclosed with, this notice is true, complete and accurate in all material respects and is not misleading.

Yours faithfully,

.....
For and on behalf of
the **Emitter**

Emitter QCiL True-Up Response Notice Information Request

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – EMITTER QCiL TRUE-UP RESPONSE NOTICE INFORMATION REQUEST

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 29.6.
3. This is an Emitter QCiL True-Up Response Notice Information Request.
4. We require the following Supporting Information in relation to the **[Emitter QCiL True-Up Response Notice dated [●]]/[Revised Emitter QCiL True-Up Response Information received from you on [●]]: [●]**.

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

Emitter QCiL True-Up Notice

To: [●] (the "ICC Contract Counterparty")
[Address]

From: [●] (the "Emitter")
[Unique reference number: [●]]

Dated: [●]

ICC CONTRACT – EMITTER QCIL TRUE-UP NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the ICC Contract Counterparty and us as the Emitter in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 29.8.
3. This is an Emitter QCiL True-Up Notice in relation to [*identify Qualifying Change in Law*].
4. We enclose the QCiL True-Up Information.
5. We confirm that [*we have not recovered (and are not entitled to recover) any amount pursuant to Conditions 48.5 and 48.7*]/[*we have recovered the amount of [●] pursuant to Conditions 48.5 and 48.7*].
6. We enclose [*(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)*] Supporting Information, in reasonable detail, which we consider to be relevant to and supportive of our conclusions.
7. We enclose a Directors' Certificate certifying that the information contained in, and enclosed with, this notice is true, complete and accurate in all material respects and is not misleading.

Yours faithfully,

.....
For and on behalf of
the **Emitter**

Emitter QCiL True-Up Notice Information Request

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – EMITTER QCiL TRUE-UP NOTICE INFORMATION REQUEST

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 29.11.
3. This is an Emitter QCiL True-Up Notice Information Request.
4. We require the following Supporting Information in relation to the **[Emitter QCiL True-Up Notice dated [●]]/[Revised Emitter QCiL True-Up Information received from you on [●]]**:
[●].

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

QSE Notice

To: [●] (the "ICC Contract Counterparty")
[Address]

From: [●] (the "Emitter")
[Unique reference number: [●]]

Dated: [●]

ICC CONTRACT – QSE NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the ICC Contract Counterparty and us as the Emitter in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 30.1.
3. This is a QSE Notice.
4. We consider that a Qualifying Shutdown Event has occurred, the relevant details of which are: [●].
5. The Qualifying Shutdown Event occurred on [●].
6. Our good faith estimates of the QCiL Operations Cessation Event Costs and the QCiL Operations Cessation Event Savings are [●] and [●] respectively.
7. We enclose *[(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)]* Supporting Information evidencing, in reasonable detail, the Qualifying Shutdown Event and the steps that the Emitter has taken and/or proposes to take to comply with Condition 48.3 and the Reasonable and Prudent Standard.
8. We enclose a Directors' Certificate certifying that the information contained in, and enclosed with, this notice is true, complete and accurate in all material respects and is not misleading.

Yours faithfully,

.....
For and on behalf of
the **Emitter**

CiAL Request Notice

To: [●] (the "ICC Contract Counterparty")
[Address]

From: [●] (the "Emitter")
[Unique reference number: [●]]

Dated: [●]

ICC CONTRACT – CIAL REQUEST NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the ICC Contract Counterparty and us as the Emitter in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 32.2.
3. This is a CiAL Request Notice.
4. We consider that a Change in Applicable Law **[has been implemented, occurred or become effective]/[is expected to be implemented, occur or become effective]** for the following reasons: [●].
5. The date on which the Change in Applicable Law **[was implemented, occurred or became effective was]/[is expected to be implemented, occur or become effective is]** [●].
6. We consider that the Change in Applicable Law **[results]/[will result]** in one (1) or more of the Required CiAL Amendment Objectives ceasing to be met for the following reasons: [●].
7. **[We consider that the Required CiAL Amendment(s) are [●].]**
8. We enclose **[(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)]** Supporting Information, in reasonable detail, which we consider to be relevant to and supportive of the foregoing.

Yours faithfully,

.....
For and on behalf of
the **Emitter**

CiAL Request Validity Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – CIAL REQUEST VALIDITY NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 32.5.
3. This is a CiAL Request Validity Notice.
4. The CiAL Request Criterion has been met.

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

CiAL Review Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – CIAL REVIEW NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 32.6.
3. This is a CiAL Review Notice.
4. The following CiAL Review Trigger has occurred: [●].
5. The CiAL Review Response Deadline is: [●].

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

CiAL Review Response Notice

To: [●] (the "ICC Contract Counterparty")
[Address]

From: [●] (the "Emitter")
[Unique reference number: [●]]

Dated: [●]

ICC CONTRACT – CIAL REVIEW RESPONSE NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the ICC Contract Counterparty and us as the Emitter in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 32.7.
3. This is a CiAL Review Response Notice in relation to the CiAL Review Notice dated [●].
4. We **[enclose]/[set out the following]** Supporting Information which we wish you to take account of in undertaking the CiAL Review: [●].
5. **[We consider that the Required CiAL Amendment(s) are [●].]**

Yours faithfully,

.....
For and on behalf of
the **Emitter**

CiAL Review Outcome Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – CIAL REVIEW OUTCOME NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 32.9.
3. This is a CiAL Review Outcome Notice.
4. The outcome of the CiAL Review was as follows: [●]. **[The Required CiAL Amendments are as follows: [●].]**
5. **[The date from which the Required CiAL Amendments will take effect is: [●].]**

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

CiAL Dispute Notice

To: [●] (the "ICC Contract Counterparty")
[Address]

From: [●] (the "Emitter")
[Unique reference number: [●]]

Dated: [●]

ICC CONTRACT – CIAL DISPUTE NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the ICC Contract Counterparty and us as the Emitter in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 33.1.
3. This is a CiAL Dispute Notice.
4. The subject matter of the Dispute is [●].
5. The issues to be resolved are [●].
6. The [Condition]/[paragraph] [to which the Dispute relates]/[pursuant to which the Dispute arises] is [●].
7. We consider the correct position is [●]. Our reasons for this are [●].
8. *[We consider the following [claim[s]]/[dispute[s]] arising out of another CCUS Programme ICC Contracts should be consolidated with or joined to the Dispute: [●].]*
9. *[We intend to rely on the following Supporting Information, copies of which we enclose: [●].]*
10. The [relief]/[determination]/[remedy]/[recourse] that we seek in relation to the Dispute is [●].
11. We **[do not]** consider the Dispute should (without a Senior Representatives Settlement being reached) be referred for **[determination in accordance with the Expert Determination Procedure]/[resolution in accordance with the Arbitration Procedure]**.
12. Our Senior Representative is [●].

Yours faithfully,

.....
For and on behalf of
the **Emitter**

CiAL Dispute Validity Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – CIAL DISPUTE VALIDITY NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 33.3.
3. This is a CiAL Dispute Validity Notice in relation to the CiAL Dispute Notice dated [●].
4. The CiAL Dispute Threshold Criterion has been met.
5. We propose that the Proposed CiAL Expert appointed be [●]. We propose that [s]he be appointed on the following terms: [●]. We believe that the Proposed CiAL Expert has the relevant expertise which qualifies the Proposed CiAL Expert to determine the relevant CiAL Dispute for the following reasons: [●].
6. We enclose an Expert Determination Notice in relation to the CiAL Dispute Notice.
7. We enclose a Consolidation Request in relation to the CiAL Dispute.

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

Pre-Start Date Termination Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – PRE-START DATE TERMINATION NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 35.1.
3. This is a Pre-Start Date Termination Notice.
4. The Pre-Start Date Termination Date is [●].
5. ***[The following Termination Event has occurred: [●].]***

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

Prolonged FM Event Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – PROLONGED FM EVENT NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 35.5.
3. This is a Prolonged FM Event Notice.
4. The following Prolonged FM Event has occurred: [●].
5. The Prolonged FM Trigger Date is: [●]
6. We enclose *[(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)]* Supporting Information listed in Appendix 1 to this notice which we consider to be relevant to evidence the Prolonged FM Event.

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

Prolonged FM Termination Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – PROLONGED FM TERMINATION NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 35.6
3. This is a Prolonged FM Termination Notice.
4. The Prolonged FM Termination Date is [●].
5. **[The following Prolonged FM Event has occurred: [●].]**

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

T&S Prolonged Unavailability Event Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – T&S PROLONGED UNAVAILABILITY EVENT NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 35.8.
3. This is a T&S Prolonged Unavailability Event Notice.
4. The following T&S Prolonged Unavailability Event has occurred: [●]
5. We hereby notify you that the Emitter T&S Prolonged Unavailability Response Deadline is: [●].
6. We hereby notify you that we may serve a T&S Prolonged Unavailability Termination Notice in accordance with Condition 35.21 on [●].
7. We enclose **[(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)]** Supporting Information listed in Appendix 1 to this notice which we consider to be relevant to evidence the T&S Prolonged Unavailability Event.

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

T&S Prolonged Unavailability Response Notice

To: [●] (the "ICC Contract Counterparty")
[Address]

From: [●] (the "Emitter")
[Unique reference number: [●]]

Dated: [●]

ICC CONTRACT – T&S PROLONGED UNAVAILABILITY RESPONSE NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 35.9.
3. This is a T&S Prolonged Unavailability Response Notice in relation to the T&S Prolonged Unavailability Event Notice dated [●].
4. ***[We consider that the T&S Prolonged Unavailability Event is no longer continuing. We enclose [(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)] Supporting Information, in reasonable detail, which we consider to be relevant to and supportive of the foregoing.]***
5. ***[We consider that the T&S Prolonged Unavailability Event will be remedied by the T&S Prolonged Unavailability Remediation Deadline. We enclose [(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)] Supporting Information, in reasonable detail, which we consider to be relevant to and supportive of the foregoing.]***
6. ***[We intend to provide an Alternative T&S Network Solution Plan.]***
7. ***[We consider that the T&S Prolonged Unavailability Event will not be remedied by the T&S Unavailability Remediation Deadline and we cannot provide a feasible Alternative T&S Network Solution Plan for the following reasons: [●].]***
8. We enclose ***[(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)]*** Supporting Information evidencing, in reasonable detail, the steps that we ***[have taken]/[and]/[propose to take]*** to comply with Condition 48.3 and the Reasonable and Prudent Standard.
9. We enclose a Directors' Certificate certifying that the information contained in, and enclosed with, this notice is true, complete and accurate in all material respects and is not misleading.

Yours faithfully,

.....
For and on behalf of
the **Emitter**

T&S Prolonged Unavailability Review Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – T&S PROLONGED UNAVAILABILITY REVIEW NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 35.11.
3. This is T&S Prolonged Unavailability Review Notice.
4. *[We consider that you have [not] delivered evidence, in form and content satisfactory to the ICC Contract Counterparty, that the T&S Prolonged Unavailability Event is no longer continuing as at such date]*
5. *[We consider that we have not been provided with sufficient Supporting Information to determine whether the T&S Prolonged Unavailability Event is no longer continuing. We require the following Supporting Information: [●].]*
6. *[We consider that you have [not] delivered sufficient evidence, that the T&S Prolonged Unavailability Event will be remedied by the T&S Prolonged Unavailability Remediation Deadline.] / [We consider that you cannot provide a feasible Alternative T&S Network Solution Plan.]*
7. *[We consider that we have not been provided with sufficient Supporting Information to determine whether the T&S Prolonged Unavailability Event will be remedied by the T&S Prolonged Unavailability Remediation Deadline and you cannot provide a feasible Alternative T&S Network Solution Plan. We require the following Supporting Information: [●].]*

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

T&S Prolonged Unavailability Further Response Notice

To: [●] (the "ICC Contract Counterparty")
[Address]

From: [●] (the "Emitter")
[Unique reference number: [●]]

Dated: [●]

ICC CONTRACT – T&S PROLONGED UNAVAILABILITY FURTHER RESPONSE NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 35.12(B)(ii).
3. This is a T&S Prolonged Unavailability Further Response Notice in relation to the T&S Prolonged Unavailability Event Notice dated [●] and the T&S Prolonged Unavailability Response Notice dated [●].
4. ***[We consider that the T&S Prolonged Unavailability Event is no longer continuing. We enclose [(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)] Supporting Information, in reasonable detail, which we consider to be relevant to and supportive of the foregoing.]***
5. ***[We consider that the T&S Prolonged Unavailability Event will be remedied by the T&S Prolonged Unavailability Remediation Deadline. We enclose [(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)] Supporting Information, in reasonable detail, which we consider to be relevant to and supportive of the foregoing.]***
6. ***[We enclose [(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)] a draft Alternative T&S Network Solution Plan together with Supporting Information, in reasonable detail, which we consider to be relevant to and supportive of the foregoing.]***
7. ***[We consider that the T&S Prolonged Unavailability Event will not be remedied by the T&S Prolonged Unavailability Remediation Deadline and we cannot provide a feasible Alternative T&S Network Solution Plan for the following reasons: [●]. We enclose [(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)] Supporting Information, in reasonable detail, which we consider to be relevant to and supportive of the foregoing.]***

Yours faithfully,

.....
For and on behalf of
the **Emitter**

Alternative T&S Network Review Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – ALTERNATIVE T&S NETWORK REVIEW NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 35.13(B).
3. This is an Alternative T&S Network Review Notice.
4. *[We approve the draft Alternative T&S Network Solution Plan submitted to us on [●].]/[We consider that we have not been provided with sufficient Supporting Information in relation to the draft Alternative T&S Network Solution Plan, in order to determine whether or not to approve such plan. We require the following Supporting Information: [●].]/[We require the following amendments to be made to the draft Alternative T&S Network Solution Plan: [●]]/[We do not approve the draft Alternative T&S Network Solution Plan for the following reasons: [●].]*

Yours faithfully,

.....
For and on behalf of the
ICC Contract Counterparty

Emitter T&S Prolonged Unavailability Remediation Notice

To: [●] (the "ICC Contract Counterparty")
[Address]

From: [●] (the "Emitter")
[Unique reference number: [●]]

Dated: [●]

ICC CONTRACT – EMITTER T&S PROLONGED UNAVAILABILITY REMEDIATION NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the ICC Contract Counterparty and us as the Emitter in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 35.17(B).
3. This is an Emitter T&S Prolonged Unavailability Remediation Notice.
4. We successfully completed the implementation of the Alternative T&S Network Solution Plan on [●].
5. We enclose *[(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)]* Supporting Information listed in Appendix 1 to this notice which we consider to be relevant to evidence that the T&S Prolonged Unavailability Event has been remedied..

Yours faithfully,

.....
For and on behalf of
the **Emitter**

T&S Prolonged Unavailability Termination Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – T&S PROLONGED UNAVAILABILITY TERMINATION NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated ● between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 35.21.
3. This is a T&S Prolonged Unavailability Termination Notice.
4. The T&S Prolonged Unavailability Termination Date is [●].
5. **[The following T&S Prolonged Unavailability Event has occurred: [●].]**

Yours faithfully,

.....

For and on behalf of the **ICC Contract
Counterparty**

T&S Termination Response Notice

To: [●] (the "ICC Contract Counterparty")
[Address]

From: [●] (the "Emitter")
[Unique reference number: [●]]

Dated: [●]

ICC CONTRACT – T&S TERMINATION RESPONSE NOTICE

Dear Sir/Madam,

We refer to the agreement dated [●] between you as the ICC Contract Counterparty and us as the Emitter in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.

1. We further refer you to Condition 35.22.
2. This is a T&S Termination Response Notice.
3. We consider the T&S Termination Payment is: [●]
4. The principal inputs used by us to calculate such T&S Termination Payment were: [●].
5. We enclose *[(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)]* Supporting Information listed in Appendix 1 to this notice which we consider to be necessary to enable you to calculate the T&S Termination Payment.
6. We enclose a Directors' Certificate certifying that the information contained in, and enclosed with, this notice is true, complete and accurate in all material respects and is not misleading.

Yours faithfully,

For and on behalf of
the **Emitter**

Default Termination Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – DEFAULT TERMINATION NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 35.26.
3. This is a Default Termination Notice.
4. The Default Termination Date is [●].
5. The following Termination Event has occurred: [●].

Yours faithfully,

.....

For and on behalf of the **ICC Contract
Counterparty**

QCiL Termination Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – QCIL TERMINATION NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 35.28.
3. This is a QCiL Termination Notice.
4. The QCiL Termination Date is [●].

Yours faithfully,

.....

For and on behalf of the **ICC Contract Counterparty**

QCiL Compensation Termination Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – QCIL COMPENSATION TERMINATION NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 35.30.
3. This is a QCiL Compensation Termination Notice.
4. The QCiL Compensation Termination Date is [●].

Yours faithfully,

.....

For and on behalf of the **ICC Contract Counterparty**

T&S Termination Payment Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – T&S TERMINATION PAYMENT NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 36.3(B).
3. This is a T&S Termination Payment Notice.
4. The T&S Termination Payment is [●].
5. The principal inputs used by us to calculate such T&S Termination Payment were: [●].
6. The T&S Termination Payment shall be payable *[as a lump sum]/[as staged payments]*.

Yours faithfully,

.....
For and on behalf of the **ICC Contract
Counterparty**

Default Termination Payment Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – DEFAULT TERMINATION PAYMENT NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 36.7(B).
3. This is a Default Termination Payment Notice.
4. The Default Termination Payment is [●].
5. The principal inputs used by us to calculate such Default Termination Payment were: [●].

Yours faithfully,

.....

For and on behalf of the **ICC Contract
Counterparty**

Second Payment Failure Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – SECOND PAYMENT FAILURE NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 39.1.
3. This is a Second Payment Failure Notice.
4. We hereby give you notice that two (2) Payment Failures have occurred in the past twelve (12) Month period, namely on [●] and [●].

Yours faithfully,

.....
For and on behalf of the **ICC Contract
Counterparty**

Collateral Posting Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – COLLATERAL POSTING NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 39.2.
3. This is a Collateral Posting Notice.
4. We hereby give you notice that there have been Payment Failures on [●] occasions in the past twelve (12) Month period.
5. The Billing Periods to which the Payment Failures relate are: [●].
6. You are required to transfer or deliver, or procure the transfer or delivery, of Acceptable Collateral to us pursuant to Condition 39.4.
7. The Collateral Amount is [●].
8. The Collateral Posting Date is [●].
9. The Initial Collateral Repayment Date is [●].
10. The details of the Reserve Account are as follows: [●].

Yours faithfully,

.....
For and on behalf of the **ICC Contract Counterparty**

Replacement Collateral Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – REPLACEMENT COLLATERAL NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 39.3.
3. This is a Replacement Collateral Notice.
4. We hereby give you notice that a Payment Failure occurred after the Collateral Posting Notice dated [●] and before the applicable Initial Collateral Repayment Date.
5. The Billing Periods to which the Payment Failures relate are: [●].
6. The Replacement Collateral Repayment Date shall be: [●].

Yours faithfully,

.....

For and on behalf of the **ICC Contract
Counterparty**

Letter of Credit Details Notice

To: [●] (the "ICC Contract Counterparty")
[Address]

From: [●] (the "Emitter")
[Unique reference number: [●]]

Dated: [●]

ICC CONTRACT – LETTER OF CREDIT DETAILS NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the ICC Contract Counterparty and us as the Emitter in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 40.3(B).
3. **[We have delivered to you a Letter of Credit today]/[We intend to [deliver]/[renew] a [replacement] Letter of Credit on [●]] and this is a Letter of Credit Details Notice.**
4. We hereby notify you of the terms of such Letter of Credit:
5. The Qualifying Issuer is: [●].
6. The credit rating of the Qualifying Issuer is: [●].
7. The relevant contact details for the Qualifying Issuer' s **[representative]/ [relationship manager]** are: [●].
8. The Letter of Credit is for an amount of: £[●].
9. The term of the **[renewed]/[delivered]/[replacement] Letter of Credit is: [●].**

Yours faithfully,

.....

For and on behalf of
the **Emitter**

Collateral Correction Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – COLLATERAL CORRECTION NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 40.5.
3. This is a Collateral Correction Notice.
4. The following Posted Collateral [is not]/[has ceased to be] Acceptable Collateral: [●]. The reason that prevents such collateral from constituting Acceptable Collateral is: [●].
5. The Deficient Collateral Amount is [●].

Yours faithfully,

.....
For and on behalf of the **ICC Contract Counterparty**

Dispute Notice

To: [●]

From: [●]

Dated: [●]

ICC CONTRACT – DISPUTE NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between [●] as the ICC Contract Counterparty and [●] as the Emitter in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 41.3.
3. This is a Dispute Notice.
4. The subject matter of the Dispute is [●].
5. The issues to be resolved are [●].
6. The Condition to which the Dispute relates is [●].
7. We consider that the correct position is [●]. Our reasons for believing this is the correct position are [●].
8. ***[We consider that the following dispute or claim relating to or arising out of another CCUS Programme ICC Contract should be [consolidated with]/[joined to] this Dispute: [●].]***
9. ***[We intend to rely on the following Supporting Information, copies of which we enclose: [●].]***
10. The ***[relief]/[determination]/[remedy]/[recourse]*** which we seek in relation to the Dispute is [●].
11. We ***[do not]*** consider the Dispute should (without a Senior Representatives Settlement being reached) be referred for ***[determination in accordance with the Expert Determination Procedure]/[resolution in accordance with the Arbitration Procedure]***.
12. Our Senior Representative is [●].

Yours faithfully,

.....

For and on behalf of

[●]

Expert Determination Notice

To: [●]

From: [●]

Dated: [●]

ICC CONTRACT – EXPERT DETERMINATION NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between [●] as the ICC Contract Counterparty and [●] as the Emitter in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 43.1.
3. This is an Expert Determination Notice.
4. The subject matter of the Dispute is [●].
5. The issues to be resolved are [●].
6. The relevant Condition to which the Dispute relates is [●].
7. We consider that the correct position is [●]. Our reasons for this are [●].
8. ***[We consider that the following dispute or claim relating to or arising out of another CCUS Programme ICC Contract should be [consolidated with]/[joined to] this Dispute: [●].]***
9. ***[We intend to rely on the following Supporting Information, copies of which we enclose: [●].]***
10. The ***[relief]/[determination]/[remedy]/[recourse]*** which we seek in relation to the Dispute is [●].
11. We propose that the Expert appointed be [●].
12. We propose that the proposed Expert be appointed on the basis of the following terms of reference: [●].
13. We believe that the proposed Expert has the relevant expertise which qualifies the proposed Expert to determine the relevant Expert Dispute for the following reasons: [●]

Yours faithfully,

.....

For and on behalf of

[●]

Expert Determination Response Notice

To: [●]

From: [●]

Dated: [●]

ICC CONTRACT – EXPERT DETERMINATION RESPONSE NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between [●] as the ICC Contract Counterparty and [●] as the Emitter in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 43.3.
3. This is an Expert Determination Response Notice.
4. We ***[do not]*** accept the Expert proposed in the Expert Determination Notice dated [●]. ***[We propose [●] as an alternative Expert.]***
5. We ***[do not]*** accept the terms of reference proposed in the Expert Determination Notice dated [●]. ***[We propose the following alternative terms of reference: [●].]***

Yours faithfully,

.....

For and on behalf of
[●]

Consolidation Request

To: **[All the parties to a Connected Dispute]**

From: **[●]**

Dated: **[●]**

ICC CONTRACT – CONSOLIDATION REQUEST

Dear Sir/Madam,

1. We refer to the agreement dated **[●]** between **[●]** as the ICC Contract Counterparty and **[●]** as the Emitter in relation to the **[●]** Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to Condition 45.2.
3. This is a Consolidation Request.
4. The subject matter of the Dispute is **[●]**.
5. We consider that the following dispute**[s]** **[is]/[are]** Connected Dispute**[s]**: **[●]**.
6. Our reasons for considering that these disputes should be consolidated with the Connected Dispute**[s]** are **[●]**.
7. **[We intend to rely on the following Supporting Information, copies of which we enclose: [●].]**
8. This notice **[has been]/[will be]** copied to the **[Expert]/[Arbitrator(s)]** determining the Connected Dispute**[s]** **[at the same time this notice was given to the [addressees]]/[forthwith upon appointment of the [Expert]/[Arbitrator(s)]]**.

Yours faithfully,

.....

For and on behalf of
[●]

Amendment Notification

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – AMENDMENT NOTIFICATION

Dear Sir/Madam,

1. We refer to the agreement dated [●] between you as the Emitter and us as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to paragraph 2.1 of Annex 4 (*Change Control Procedure*).
3. This is an Amendment Notification.
4. The Proposed Amendment is [●].
5. The Proposed Amendment Effective Date is [●].
6. We consider the Proposed Amendment to be a [Material Amendment]/[Technical Amendment].
7. [We consider the Proposed Amendment to be a Technical Amendment and we [do not] consider the Proposed Amendment to be a General Amendment.]/[We consider the Proposed Amendment to be a General Amendment and we [do not] consider that it applies to all CCUS Programme ICC Contracts]/[consider that it applies only to those of [a specified category]/[specified categories], being [●].]
8. We enclose the following Supporting Information which we consider necessary to enable you to evaluate the Proposed Amendment: [●].

Yours faithfully,

.....

For and on behalf of the **ICC Contract Counterparty**

Material Amendment Response Notification

To: [●] (the "ICC Contract Counterparty")
[Address]

From: [●] (the "Emitter")
[Unique reference number: [●]]

Dated: [●]

ICC CONTRACT – MATERIAL AMENDMENT RESPONSE NOTIFICATION

Dear Sir/Madam,

1. We refer to the agreement dated [●] between [●] as the ICC Contract Counterparty and [●] as the Emitter in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to paragraph 2.2(B) of Annex 4 (*Change Control Procedure*).
3. This is a Material Amendment Response Notification.
4. We **[do not]** accept the Proposed Amendment proposed in the Amendment Notification dated [●]. **[We propose [●] as an alternative amendment.]**
5. **[We note that the Amendment Notification has not addressed the following consequential matters: [●].]**
6. We enclose **[(by way of upload(s) to the ICC Contract Counterparty data room on the dates set out in Appendix 1 to this notice)]** Supporting Information listed in Appendix 1 to this notice which we consider necessary to enable you to evaluate the matters covered in this Material Amendment Response Notification.
7. We **[do not]** accept the Proposed Amendment Effective Date proposed in the Amendment Notification dated [●]. **[We propose [●] as an alternative effective date.]**

Yours faithfully,

.....

For and on behalf of
the **Emitter**

Technical Amendment Response Notification

To: [●] (the "ICC Contract Counterparty")
[Address]

From: [●] (the "Emitter")
[Unique reference number: [●]]

Dated: [●]

ICC CONTRACT – TECHNICAL AMENDMENT RESPONSE NOTIFICATION

Dear Sir/Madam,

1. We refer to the agreement dated [●] between [●] as the ICC Contract Counterparty and [●] as the Emitter in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to paragraph 2.6(B)(ii) of Annex 4 (*Change Control Procedure*).
3. This is a Technical Amendment Response Notification.
4. We **[do not]** accept the Proposed Amendment proposed in the Amendment Notification dated [●]. **[We propose [●] as an alternative amendment.]**
5. **[We note that the Amendment Notification has not addressed the following consequential matters: [●].]**
6. We **[do not]** accept the Proposed Amendment Effective Date proposed in the Amendment Notification dated [●]. **[We propose [●] as an alternative effective date.]**

Yours faithfully,

.....

For and on behalf of
the **Emitter**

CMRP Principles Request Notice

To: [●] (the "ICC Contract Counterparty")
[Address]

From: [●] (the "Emitter")
[Unique reference number: [●]]

Dated: [●]

ICC CONTRACT – CMRP PRINCIPLES REQUEST NOTICE

Dear Sir/Madam

1. We refer to the agreement dated [●] between [●] as the ICC Contract Counterparty and [●] as the Emitter in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to paragraph 1.2 of Part A of Annex 6 (*Carbon Market Reference Price Review*).
3. This is a CMRP Principles Request Notice.
4. We believe the calculation of the Carbon Market Reference Price does not comply with the following CMRP Principle[s]: [●].
5. **[We propose that the non-compliance with the CMRP Principle[s] should be addressed as follows: [●].]**
6. We enclose the following Supporting Information, in reasonable detail, which we consider to be relevant to and supportive of the matters in paragraph[s] 4 [and 5] above.

Yours faithfully,

.....

For and on behalf of
the **Emitter**

CMRP Principles Request Validity Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – CMRP PRINCIPLES REQUEST VALIDITY NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between [●] as the Emitter and [●] as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to paragraph 1.5 of Part A of Annex 6 (*Carbon Market Reference Price Review*).
3. This is a CMRP Principles Request Validity Notice.
4. The CMRP Principles Request Criterion has been met.

Yours faithfully,

.....

For and on behalf of the **ICC**
Contract Counterparty

CMRP Principles Review Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – CMRP PRINCIPLES REVIEW NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between [●] as the Emitter and [●] as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to paragraph 1.8 of Part A of Annex 6 (*Carbon Market Reference Price Review*).
3. This is a CMRP Principles Review Notice.
4. The following CMRP Principles Review Trigger has occurred: [●].
5. The CMRP Principles Review Response Deadline is: [●].

Yours faithfully,

.....

For and on behalf of the **ICC**
Contract Counterparty

CMRP Principles Review Response Notice

To: [●] (the "ICC Contract Counterparty")
[Address]

From: [●] (the "Emitter")
[Unique reference number: [●]]

Dated: [●]

ICC CONTRACT – CMRP PRINCIPLES REVIEW RESPONSE NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between [●] as the ICC Contract Counterparty and [●] as the Emitter in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to paragraph 1.9 of Part A of Annex 6 (*Carbon Market Reference Price Review*).
3. This is a CMRP Principles Review Response Notice in relation to the CMRP Principles Review Notice dated [●].
4. We enclose the following Supporting Information which we wish you to take account of in undertaking the CMRP Principles Review: [●].
5. **[We propose that the CMRP Principles Review Trigger should be addressed as follows: [●].]**

Yours faithfully,

.....

For and on behalf of
the **Emitter**

CMRP Principles Review Outcome Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – CMRP PRINCIPLES REVIEW OUTCOME NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between [●] as the Emitter and [●] as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to paragraph 1.12 of Part A of Annex 6 (*Carbon Market Reference Price Review*).
3. This is a CMRP Principles Review Outcome Notice.
4. We **[enclose a]/[set out the following]** summary of the outcome of the CMRP Principles Review[:[●]]. **[The CMRP Principles Review Proposals are as follows: [●].]**
5. **[We enclose a summary of the reasons for determining that it is not possible to effect any CMRP Mechanism Amendment (or combination of CMRP Mechanism Amendments) in a manner which complies with all of the CMRP Principles. We consider that the following CMRP Principles will be complied with by virtue of the CMRP Mechanism Amendments being effected: [●].]**
6. The CMRP Principles Review Implementation Date is: [●].

Yours faithfully,

.....
For and on behalf of the **ICC**
Contract Counterparty

CMRP Dispute Notice

To: [●] (the "ICC Contract Counterparty")
[Address]

From: [●] (the "Emitter")
[Unique reference number: [●]]

Dated: [●]

ICC CONTRACT – CMRP DISPUTE NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between [●] as the ICC Contract Counterparty and [●] as the Emitter in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to paragraph 2.1 of Part A of Annex 6 (*Carbon Market Reference Price Review*).
3. This is a CMRP Dispute Notice.
4. The subject matter of the Dispute is [●].
5. The issues to be resolved are [●].
6. The [Condition]/[paragraph] to which the Dispute relates is [●].
7. We consider the correct position is [●]. Our reasons for this are [●].
8. **[We consider the following [claim(s)]/[dispute(s)] arising out of another CCUS Programme ICC Contracts should be consolidated with or joined to the Dispute: [●].]**
9. **[We intend to rely on the following Supporting Information, copies of which we enclose: [●].]**
10. The [relief]/[determination]/[remedy]/[recourse] which we seek in relation to the Dispute is [●].
11. We **[do not]** consider that the Dispute should (without a Senior Representatives Settlement being reached) be referred for **[determination in accordance with the Expert Determination Procedure]/[resolution in accordance with the Arbitration Procedure]**.
12. Our Senior Representative is [●].

Yours faithfully,

.....

For and on behalf of
the **Emitter**

CMRP Dispute Validity Notice

To: [●] (the "Emitter")
[Unique reference number: [●]]

From: [●] (the "ICC Contract Counterparty")
[Address]

Dated: [●]

ICC CONTRACT – CMRP DISPUTE VALIDITY NOTICE

Dear Sir/Madam,

1. We refer to the agreement dated [●] between [●] as the Emitter and [●] as the ICC Contract Counterparty in relation to the [●] Project (the "**Agreement**"). Terms and expressions defined in or incorporated into the Agreement have the same meaning when used in this notice.
2. We further refer you to paragraph 2.3 of Part A of Annex 6 (*Carbon Market Reference Price Review*).
3. This is a CMRP Dispute Validity Notice in relation to the CMRP Dispute Notice dated [●].
4. The CMRP Dispute Threshold Criterion has been met.
5. We propose that the Proposed CMRP Expert appointed be [●]. We propose that [s]he be appointed on the following terms: [●]. We believe that the Proposed CMRP Expert has the relevant expertise which qualifies the Proposed CMRP Expert to determine the relevant CMRP Dispute for the following reasons: [●].
6. We enclose a Consolidation Request in relation to the CMRP Dispute.

Yours faithfully,

.....

For and on behalf of the **ICC**
Contract Counterparty